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ABBREVIATIONS AND ACRONYMS

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COGTA	-	Co-Operative Governance and Traditional Affairs
CPI	-	Consumer Prices Index
DORA	-	Division of Revenue Act
GRAP	-	Generally Recognised Accounting Practice
IDP	-	Integrated Development Plan
LED	-	Local Economic Development
LG	-	Local Government
MIG	-	Municipal Infrastructure Grant
MFMA	-	Municipal Finance Management Act
MPRA	-	Municipal Property Rate Act
MSIG	-	Municipal Systems Improvement Grant
MTREF	-	Medium Term Revenue and Expenditure Framework
PMU	-	Project Management Unit
PPE	-	Property Plant and Equipment
SALGA	-	South Africa Local Government Association

## **PART ONE**

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### **Purpose of the mayoral report**

#### **1. Mayoral Report**

The purpose of the mayors' report is to provide a high level summary of the budget that draws on the executive summary and highlights key deliverables during the coming years. The report will address certain fundamental issues such as the eradication of backlogs, commencement of new projects and programmes

The mayor's report will be tabled at the Council Meeting on 29 May 2014, where the Draft Budget will be considered by Council

The Mayors Report will provide the following

- a. A summary of the Medium term service delivery objective and associated medium term financial implications contained in the annual budget
- b. A summary of linkages between the annual budget, the integrated development plan and the political priorities at the national, provincial, district and local level
- c. A summary of infrastructure development objectives
- d. A summary of material amendments made to annual budget after the consultation processes
- e. Any other information considered relevant by Mayor

### ***DRAFT ANNUAL BUDGET REPORT PRESENTED BY HIS WORSHIP THE MAYOR COUNCILLOR T.S MKHOMBO***

Mr Speaker, I wish to present an overview of the Draft Annual Budget for 2014/15 budget year. It is also imperative to mention that this budget is prepared in terms of the Municipal Budget and Reporting Regulations, promulgated in the Government Gazette No. 32141 dated 17 April 2009.

With tabling and approval of the 2014/15 Annual Budget a strong focus was again placed on infrastructure development, fighting poverty, uplifting of education and promotion of sports and recreation with the youth of uMhlabuyalingana Municipality. The biggest goal for our municipality is to promote the National Development plans together with the Provincial Growth Development Strategy which must be aligned to our Integrated Development plan which must in all respects inform this budget.

The final budget will be tabled at the council meeting before the end of May 2014 where the Draft Budget and Medium Term revenue and expenditure Framework (MTREF), will be considered by Council.

The mayor's report will be providing the following:

- a summary of the medium- term service delivery objectives and the associated medium term financial implications contained in the annual budget
- a summary of linkages between annual budget, integrated development plan and municipal priorities.
- Infrastructure development
- Consultation process after the adoption of the annual budget.

## **2. RESOLUTION**

Recommended

1. The council resolved to approve and adopt the tabled total draft annual budget for R 151 232 401.
2. The council resolved to approve and adopt the draft annual operating budget R 110 988 801.
3. The council resolved to approve and adopt the draft Capital budget of R 40 243 601.

### 3. EXECUTIVE SUMMARY

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financial viable and that municipal service are provided sustainably, economically and equitably to all communities.

We must remember that in South Africa, we stabilised our economy after the 2008 crisis. We have achieved a recovery in growth and jobs. Yet we need to do more, together with labour, business and all stakeholders, to lead our economy in a new, bold direction for higher growth, decent work and greater equality this statement is the intension of the whole nation which as local government sphere we must ensure that our plans are address the vision of the whole nation.

The Budget and Medium Term Revenue and Expenditure Framework was also prepared taking cognizance of the contents of the Local Government: Municipal Finance Management Act No. 56 of 2003, Circular No. 71 and 72 and the MFMA Budget Formats guide received from National Treasury.

The main challenges experienced during the compilation of the 2014/2015 Budget and MTREF can be summarized as follows:

- The withdrawal of funding for electrification from the department of Energy.
- On-going difficulties in the national and local economy.
- Wage increases for municipal staffs that continue to exceed consumer inflation, as well as need to fill critical positions.
- The municipal grant dependency.

The following budget principles and guidelines informed the compilation of the 2014/2015 Budget and Medium Term Revenue and Expenditure Framework:

- The adjustment Budget for 2013/14 Budget year;
- Strategic objectives that were formulated during the strategic planning session of the municipality;
- Budget allocated by national and provincial funding through the Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2014/2015 Budget and Medium Term Revenue and Expenditure Framework:

3.1 Consolidated Overview of the 2014/2015 Budget and MTREF

<b>Details</b>	<b>Adjustments Budget 2013/14</b>	<b>Budget Year 2014/15</b>	<b>Budget Year 2015/16</b>	<b>Budget Year 2016/17</b>
Total Operating revenue	104 505 961	116 642 401	149 786 207	155 719 528
Total Operating expenditure	90 257 802	110 988 801	98 070 587	103 146 011
Total Capital expenditure	50 435 828	40 243 601	94 841 620	97 104 517
Total Capital revenue	35 057 951	40 244 000	51 560 000	82 721 000

Total operating revenue has grown by 11% or R 12 136 440 for the financial year when compared to the 2013/14 Adjustment Budget. For the two outer years' operating revenue will increase by 28% and 4% respectively, equating to a total capital growth of R 51 213 5687 over the MTRET when compared to the 2013/14 financial year.

Total operating expenditure has grown by 23% or R 20 730 999 for the financial year when compared to the 2013/2014 Adjustment Budget. For the two outer years, operating expenditure will decrease by 12% and increase of 5%, equating to a total revenue growth of R 12 888 209 over the MTREF when compared to the 2013/14 financial year.

Total capital expenditure has decrease by 20% or R 10 192 227 for the financial year when compared to the 2013/14 Adjustment Budget. For the two outer years, operating expenditure will increase by 100% and 2% respectively, equating to a total capital expenditure growth of R over the MTREF when compared to the 2013/14 financial year. The above increase clearly illustrate that the draft budget has to be re-visited before it is finally approved by council since the increase is very high in the 2015/16 financial year.

Total capital revenue has grown by 15% or R 5 186 049 for the financial year when compared to the 2013/14 Adjustment Budget. For the two outer years capital expenditure will increase by 28% and 60% respectively, equating to a total capital revenue growth of R over the MTRET when compared to the 2013/14 financial year.

Total capital revenue has grown by % or R for the financial year when compared to the 2013/14 Adjustment Budget. For the two outer years capital revenue will increase by % and % respectively, equating to a total capital revenue growth of R over the MTRET when compared to the 2013/14 financial year.

### **3.2 Operating Revenue Framework**

UMhlabuyalingana Local Municipality to continue to improving the quality of services provided to citizens within uMhlabuyalingana jurisdiction that its needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditure against realistically anticipated revenue.

## 3.2.1 Operating revenue is illustrated in the following table in detail:

Description	2014/15MTREF						
	Original Budget	Adjusted Budget	Full Year Forecast	Pre -Audited Outcome	Budget Year 2014/15	Budget Year 2015/16	Budget Year 2016/17
<b><u>OPERATING GRANTS</u></b>							
<b><u>National Grants</u></b>							
Equitable Share	68 319 000	68 319 000	68 319 000	68 319 000	87 707 000	120 673 000	124 992 000
Financial Management Grant	1 650 000	1 650 000	1 650 000	1 650 000	1 800 000	1 950 000	2 100 000
Municipal Systems Improvement Grant	890 000	890 000	890 000	890 000	934 000	967 000	1 018 000
EPWPIG	1 000 000	1 000 000	1 000 000	1 000 000	1 355 000	-	-
<b>Subtotal (a)</b>	<b>71 859 000</b>	<b>71 859 000</b>	<b>71 859 000</b>	<b>71 859 000</b>	<b>91 796 000</b>	<b>123 590 000</b>	<b>128 110 000</b>
<b><u>Provincial Grants</u></b>							
Library Grant	1 426 000	1 774 775	1 774 775	1 774 775	1 350 000	1 431 000	1 507 000
Capacity Building		120 000	120 000	120 000	-	-	-
Spacial Development		123 663	123 663	123 663		-	-
Arts and Culture	-	100 000	100 000	100 000		-	-
Mbazwana & Manguzi Hubs	-	160 000	160 000	160 000		-	-
Community Participation	-	2 000	2 000	2 000		-	-



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Grant							
<b>Subtotal (b)</b>	<b>1 426 000</b>	<b>2 280 438</b>	<b>2 280 438</b>	<b>2 280 438</b>	<b>1 350 000</b>	<b>1 431 000</b>	<b>1 507 000</b>
<b>TOTAL OPERATING GRANTS (a+b+c)</b>	<b>73 285 000</b>	<b>74 139 438</b>	<b>74 139 438</b>	<b>74 139 438</b>	<b>93 146 000</b>	<b>125 021 000</b>	<b>129 617 000</b>
<b><u>OWN REVENUE</u></b>							
Traffic Income		150 000	150 000	150 000	158 400	166 954	175 969
Licensing Income	2 969 200	3 469 200	3 469 200	3 469 200	3 663 475	3 861 303	4 069 813
Rental Income	46 607	46 607	46 607	46 607	49 217	51 875	54 676
Library Income	21 166	21 166	21 166	21 166	22 351	23 558	24 830
Waste Services	129 600	75 778	75 778	75 778	80 022	84 343	88 897
Property Rates	6 392 478	14 486 000	14 486 000	14 486 000	15 297 216	16 123 266	16 993 922
Tender Monies	14 833	113 579	113 579	113 579	119 939	126 416	133 243
Insurance - payout		113 190	113 190	113 190	-	-	-
<b>Subtotal (a)</b>	<b>9 573 884</b>	<b>18 475 520</b>	<b>18 362 330</b>	<b>18 362 330</b>	<b>19 390 620</b>	<b>20 437 714</b>	<b>21 541 351</b>
<b><u>INTERESTS</u></b>							
Current Account	150 000	600 000	600 000	600 000	633 600	667 814	703 876
Investments	200 000	3 288 050	3 288 050	3 288 050	3 472 181	3 659 679	3 857 301
Surplus Funds	8 116 143	8 116 143	8 116 143	8 116 143	-	-	-
<b>Subtotal (b)</b>	<b>8 466 143</b>	<b>12 004 193</b>	<b>12 004 193</b>	<b>12 004 193</b>	<b>4 105 781</b>	<b>4 327 493</b>	<b>4 561 178</b>
<b>TOTAL OPERATING INCOME</b>	<b>91 325 027</b>	<b>104 619 151</b>	<b>104 505 961</b>	<b>104 505 961</b>	<b>116 642 401</b>	<b>149 786 207</b>	<b>155 719 528</b>
Total operating revenue for the year	<b>91 325 027</b>	<b>104 619 151</b>	<b>104 505 961</b>	<b>104 505 961</b>	<b>116 642 401</b>	<b>149 786 207</b>	<b>155 719 528</b>

In line with the formats prescribed by the Municipal Budget and reporting regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit

The municipality estimated to receive R 15 297 216 from the municipal property rate revenue which is the second largest source of income that the municipality have after grants revenue. The amount reflected on the property rate is expected to change before the annual budget is finally presented to council because the figure presented is based on the old Valuation Roll whereas the municipality has just finalise it new General Valuation roll (GV) that is currently published for public comments. The final projected revenue for municipal property rate will be based to the new GV.

Property rate as mentioned above is the second largest revenue source totalling to R 15 Million and increases to R 16 Million in 2015/16 financial year.

Operating grants and transfers is the largest revenue source total to R 74 139 438 in the 2013/14 financial year and steadily increases to R 129 617 000 by 2016/2017. Note that the year on year growth for the 2014/15 financial year is 26% and then increase to 34% and 4% in the two outer years. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term.

## 3.2.2 Operating transfers and grants receipts

KZN271 Umhlabuyalingana - Supporting Table SA18 Transfers and grant receipts

Description  R thousand	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
RECEIPTS:	1, 2									
-										
<u>Operating Transfers and Grants</u>										
National Government:		37 700	52 018	60 297	71 859	71 859	71 859	91 796	123 590	128 110
Local Government Equitable Share		35 750	49 682	56 693	68 319	68 319	68 319	87 707	120 673	124 992
Finance Management		1 200	1 450	1 804	1 650	1 650	1 650	1 800	1 950	2 100
Municipal Systems Improvement		750	886	800	890	890	890	934	967	1 018
EPWP Incentive		-	-	1 000	1 000	1 000	1 000	1 355		
Provincial Government:		3 416	5 319	1 508	1 426	1 300	1 300	1 350	1 431	1 507
Sport and Recreation			644							
Library		3 416	4 675	1 508	1 426	1 300	1 300	1 350	1 431	1 507
Other grant providers:		-	-	-	-	120	120	-	-	-
[cybercad grant]						120	120	-	-	-
Total Operating Transfers and Grants	5	41 116	57 337	61 804	73 285	73 279	73 279	93 146	125 021	129 617
<u>Capital Transfers and Grants</u>										
National Government:		25 238	28 908	40 622	38 502	35 502	35 502	32 490	43 126	44 531
Municipal Infrastructure Grant (MIG)		16 238	19 908	35 622	28 502	28 502	28 502	32 490	34 126	35 531
Integrated National Electrification]		9 000	9 000	5 000	10 000	7 000	7 000	-	9 000	9 000
Provincial Government:		6 500	8 819	1 419	-	-	-	2 100	-	-
Other capital transfers/grants [insert description]		6 500	8 819	1 419				2 100	-	
District Municipality:		-	1 366	-	-	-	-	-	-	-
[insert description]			1 366							

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Total Capital Transfers and Grants	5	31 738	39 093	42 041	38 502	35 502	35 502	34 590	43 126	44 531
TOTAL RECEIPTS OF TRANSFERS & GRANTS		72 854	96 430	103 845	111 787	108 781	108 781	127 736	168 147	174 148

### 3.3 Operating Expenditure Framework

The municipality's expenditure framework for the 2014/15 budget and MTREF is informed by the following:-

- Infrastructure and maintenance plan
- Strict adherence to the principle of no project plan on budget. If there is no business plan no funding allocation can be made
- The Capital programme is aligned to the asset renewal strategy and backlog eradication plan

The following table is high level summary of the 2014/15 budget and MTREF (classified per main type of operating expenditure).

OPERATING EXPENDITURE	Original Budget	Adjusted Budget	Full Year Forecast	Pre Audited Outcome	Budget Year 2014/15	Budget Year 2015/16	Budget Year 2016/17
Councillor allowance	7 791 627	8 061 436	8 061 436	8 061 436	8 507 619	8 967 030	9 451 250
Employees related costs	23 175 676	24 533 305	24 533 305	24 533 305	32 829 147	34 601 921	36 250 037
General Expenses	38 552 095	38 682 498	38 682 498	38 682 498	46 049 754	43 627 848	45 983 752
Repairs and Maintenances	5 709 480	6 309 480	6 309 480	6 310 656	10 085 480	9 365 296	9 845 056
Provisions	6 129 956	12 670 983	12 671 083	12 687 14	13 528 093	14 023 888	14 562 251
<b>Subtotal (b)</b>	<b>81 358 834</b>	<b>90 257 702</b>	<b>90 257 802</b>	<b>90 275 043</b>	<b>111 000 094</b>	<b>110 585 985</b>	<b>116 092 348</b>

Budget for council allowance has increased by on the new circular dated 29 January 2014 the increase was attended during the adjustment budget we have made provision for the increase of councillor's allowance by 5.5% in 2014/15 financial year. Salaries and wages for employees have increased by 34% in

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2014/15 financial year as compared to employee related costs for 2013/14 financial year. The increase is as per the new proposed organogram for the new position that were previously not budgeted for and the proposed increase of section 56 and 57 employees.

In general the provision that was made for the existing salary increase for all municipal employees was projected to increase by 6.84%

**Table reflecting the detail of the employee related costs:**

Summary of Employee and Councillor remuneration  R thousand	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
-	1	A	B	C	D	E	F	G	H	I
<b><u>Councillors (Political Office Bearers plus Other)</u></b>										
Basic Salaries and Wages		6 738	8 516	7 542	4 457	5 362	5 362	5 694	6 001	6 325
Pension and UIF Contributions		708	841		1 019	-	-		-	-
Medical Aid Contributions		227	216						-	-
Motor Vehicle Allowance		21	95		1 698	1 787	1 787	1 881	1 982	2 089
Cellphone Allowance		484	636		544	710	710	710	748	788
Other benefits and allowances		115	264		73	202	202	223	235	247
<b>Sub Total - Councillors</b>		<b>8 293</b>	<b>10 567</b>	<b>7 542</b>	<b>7 791</b>	<b>8 061</b>	<b>8 061</b>	<b>8 507</b>	<b>8 966</b>	<b>9 450</b>
<b><u>Senior Managers of the Municipality</u></b>	2									
Basic Salaries and Wages		1 763	2 158	1 948	2 884	2 619	2 619	3 503	3 693	3 892
Pension and UIF Contributions		5		130	218	116	116	81	85	90
Medical Aid Contributions				161	84	28	28	40	42	44
Performance Bonus				13	240	210	210	312	329	346
Motor Vehicle Allowance	3			336	579	477	477	629	663	699
Cellphone Allowance	3	43		58	60	68	68	126	133	140
Other benefits and allowances	3	14	43	280	551	384	384	401	422	445
Payments in lieu of leave			180	55		678	679	245	258	272
<b>Sub Total - Senior Managers of Municipality</b>		<b>1 826</b>	<b>2 382</b>	<b>2 981</b>	<b>4 616</b>	<b>4 580</b>	<b>4 581</b>	<b>5 337</b>	<b>5 625</b>	<b>5 929</b>
<b><u>Other Municipal Staff</u></b>										
Basic Salaries and Wages		6 738	8 516	8 348	13 471	16 706	16 706	18 536	19 537	20 372
Pension and UIF Contributions		708	841	822	1 325	1 251	1 252	1 693	1 784	1 880
Medical Aid Contributions		227	216	289	376	427	427	1 238	1 305	1 376
Overtime		21	95	223	1 836	674	674	407	429	453
Performance Bonus		484	636	996	1 043	942	943	1 359	1 432	1 510
Motor Vehicle Allowance	3		-	221	58	88	88	840	885	933

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Cellphone Allowance	3		-		-	72	72	294	310	327
Other benefits and allowances	3	115	264	1 185	464	485	485	1 878	1 980	2 087
Payments in lieu of leave			703	297		524	524	1 246	1 313	1 384
Long service awards			-			300	300	-	-	
<b>Sub Total - Other Municipal Staff</b>		<b>8 293</b>	<b>11 270</b>	<b>12 382</b>	<b>18 573</b>	<b>21 469</b>	<b>21 471</b>	<b>27 492</b>	<b>28 977</b>	<b>30 322</b>
<b>Total Parent Municipality</b>		<b>18 412</b>	<b>24 219</b>	<b>22 905</b>	<b>30 980</b>	<b>34 110</b>	<b>34 113</b>	<b>41 336</b>	<b>43 568</b>	<b>45 701</b>

Provision for depreciation and assets impairments has been informed by the municipality assets management policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard that R 7 737 715 for the 2014/15 financial year and equate to 5.6% of the 2013/14 financial year.

The table below reflect the depreciation amount:

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
<u>Depreciation by Asset Class/Sub-class</u>										
-										
<u>Community</u>		3 581	4 149	6 845	2 225	7 327	7 327	7 738	8 156	8 596
Other		3 581	4 149	6 845	2 225	7 327	7 327	7 738	8 156	8 596
<b>Total Depreciation</b>	<b>1</b>	<b>3 581</b>	<b>4 149</b>	<b>6 845</b>	<b>2 225</b>	<b>7 327</b>	<b>7 327</b>	<b>7 738</b>	<b>8 156</b>	<b>8 596</b>

The municipal has also made provision for the repairs and maintenance of the existing infrastructure, during the compilation of the 2014/15 budget and MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the municipality's infrastructure and historic deferred maintenance. The repairs and maintenance for the municipality has increased by 59.8% the increase is as a result of the old infrastructure assets that were not maintained in the previous year, where the municipality has invested in the maintaining of the infrastructure. The repairs and maintenance is also cover in the infrastructure and maintenance plan, the final list will be provided on the final budget.

**The table below illustrate the increase in the repairs and maintenance.**

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>										
- <u>Infrastructure</u>		-	-	-	3 500	3 500	3 500	5 200	4 876	4 444
Infrastructure - Road transport		-	-	-	3 500	3 500	3 500	5 200	4 876	4 444
Roads, Pavements & Bridges					3 500	3 500	3 500	5 200	4 876	4 444
<u>Community</u>		-	-	-	150	150	150	400	422	444
Parks & gardens					150	150	150	400	422	444
Sportsfields & stadia										
<u>Other assets</u>		234	1 014	2 899	2 059	2 659	2 659	4 484	4 726	4 982
General vehicles					718	718	718	1 400	1 476	1 556
Computers - hardware/equipment					30	30	30	40	42	44
Furniture and other office equipment					21	21	21	22	23	25
Civic Land and Buildings					53	353	353	372	392	413
Other Buildings					238	538	538	650	685	722

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Other		234	1 014	2 899	1 000	1 000	1 000	2 000	2 108	2 222
Total Repairs and Maintenance Expenditure	1	234	1 014	2 899	5 709	6 309	6 309	10 084	10 024	9 870

### 3.4 Capital Budget Framework

The following guidelines were applied in order to value and prioritization of the capital project

- In line with Council's revised IDP
- Carry-over of previously approved projects
- Existing Council's resolution, statutory requirement and service related benefits
- Capital budget has decrease by R 10 192 227

The decrease in the capital budget is a very serious concern but it resulted from the withdrawal from the department of energy to fund the municipality regarding electrification.

The table below illustrate the capital budget for revenue and expenditure on capital:-

Description	Funding Department	Original Budget	Adjusted Budget	Pre Audited Outcome	Budget Year 2014/15	Budget Year 2015/16	Budget Year 2016/17
Municipal Infrastructure Grant	National Cogta	25 502 000	25 502 000	25 502 000	32 490 000	34 126 000	35 531 000
Intergraded Electrification Prog	DME	10 000 000	7 000 000	7 000 000	-	9 000 000	9 000 000



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Infrastructure -Sport Facilities					2 100 000		
<b>Subtotal (b)</b>		35 502 000	32 502 000	32 502 000	34 590 000	43 126 000	44 531 000
<b>Total Grants (a+b)</b>							
<b>Contribution from own revenue</b>		2555951	2555951	2555951	5654000	8434000	38 190 000
Contributions from own revenue (c)	EQS	<b>2 555 951</b>	<b>2 555 951</b>	<b>2 555 951</b>	<b>5 654 000</b>	<b>8 434 000</b>	<b>38 190 000</b>
<b>Total (a+b+c)</b>		<b>38 057 951</b>	<b>35 057 951,00</b>	<b>35 057 951</b>	<b>40 244 000</b>	<b>51 560 000</b>	<b>82 721 000</b>

Description					
	Original Budget	Adjusted Budget	Budget Year 2014/15	Budget Year 2015/16	Budget Year 2016/17
<u>ROADS</u>					
<u>Municipal Roads - MIG</u>					
Mbubeni - Majola Access Road	6 000 000,00	6 000 000,00	-	-	-
Qongwana - Mntanenkosi Access Road	2 400 000,00	2 400 000,00	105 600	-	-
Manaba - Mlamula Road	7 000 000,00	7 000 000,00	-	-	-
Ezangomeni - Mngomezulu Road	6 939 200,00	5 602 301,00	1 336 899	-	-
Manguzi Road	-	183 736	-	-	-
Manguzi Tribal Road	35 000,00	35 000,00		-	-
Mfhehlweni - Mfakubheka Road		698 449,00	6 957 551	-	-
Zangomeni - Mvelabusha Road		698 449,00	6 957 551	-	-
Hlomula/Amandla Access Road			5 263 500		
ezindlovini masulumane road				7 000 000	
nsukumbili velabusha road				7 000 000	

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sokalezangoma mshudu road				5 000 000	
engonyameni road				4 000 000	
Ekuthukuzeni Masondo					8 000 000
Manyampisi Access Road					4 000 000
Nondwayiza phakamini access road					7 000 000
Masakeni Access Road					6 000 000
<b>Subtotal (a)</b>	<b>22 374 200</b>	<b>22 617 935</b>	<b>20 621 101</b>	<b>23 000 000</b>	<b>25 000 000</b>
<b><u>Buildings, Community Halls &amp; Markets</u></b>					
Traffic Station	20 000,00	20 000,00	-		
Council Chamber	600 000,00	260 269,00	-		
Masibambisane Community Market	50 000,00	50 000,00	-		
Small Town Rehabilitation: Market Stalls, Coldrooms	3 500 000,00	4 310 290,00	300 000		
Sbhoweni Community Centre	3 000 000,00	3 000 000,00	500 000		
Manguzi Public Toilets	1 500 000,00	1 500 000,00	-		
Cashiers Office	100 000,00	100 000,00	75 000		
Security and Gate House			350 000		
Ward 1 Community Centre			-	3 500 000	
Ward 6 Community Centre			-	3 500 000	
Ward 14				3 500 000	
Ward 17 Causeway				3 500 000	
Hlokohlolo Community Centre				3 500 000	
Manzengwenya Community Centre					3 500 000
<b>Subtotal (b)</b>	<b>8 770 000</b>	<b>9 240 559</b>	<b>1 225 000</b>	<b>17 500 000</b>	<b>3 500 000</b>
<b><u>Sports Grounds</u></b>					
- Mseleni	728 000	728 000	-		
- Zamazama	628 894	815 276	-		

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- Nyamazane Sportfield	3 000 000	2 420 000	1 000 000		
- Mboza Sportfield		260 000,00	2 611 500		
-Bhekabantu Sportfield			3 349 500		
- Scabazini Sportfield		260 000,00	3 089 500		-
Mbazwana Sportfield Phase 2			2 100 000		
Manguzi Sportfield					5 000 000
Ngutshane Sportfield					3 800 000
<b>Subtotal ©</b>	<b>4 356 894</b>	<b>4 483 276</b>	<b>12 150 500</b>	<b>-</b>	<b>8 800 000</b>
<b><u>ELECTRIFICATION PROJECTS</u></b>					
Electrification Programme - Manaba	-	440 476		9 000 000	9 000 000
- Madonela	-	613 082			
- Mseleni	10 000 000,00	7 000 000	350 000		
<b>Subtotal (d)</b>	<b>10 000 000</b>	<b>8 053 558</b>	<b>350 000</b>	<b>9 000 000</b>	<b>9 000 000</b>
<b><u>Other Infrastruture</u></b>					
Sport Refubishment	35 000,00	35 000,00		43 281 620	48 754 517,00
Library Parking	11 000,00	11 000,00			
<b>Subtotal €</b>	<b>46 000</b>	<b>46 000</b>	<b>-</b>	<b>43 281 620</b>	<b>48 754 517</b>
<b>Subtotal (a)</b>	<b>45 547 094</b>	<b>44 441 328</b>	<b>34 346 601</b>	<b>92 781 620</b>	<b>95 054 517</b>
<b><u>Other Assets</u></b>					
Vehicles: Traffic, Pool car, Mayor	2 500 000	2 600 000	2 000 000	2 000 000	2 000 000
Computers and printers - Technical Services	50 000	67 500	60 000	60 000	50 000
- Management	20 000	20 000			
- Finance	60 000	1 510 000			

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- Corporate Services	50 000	100 000	200 000		
- Traffic Department	36 000	36 000			
Furniture and Equipment - Technical	50 000	50 000	160 000		
- Mnagement	50 000	250 000	-		
- Finance	80 000	80 000	455 000		
- Corporate Services	80 000	80 000	240 000		
- Community Services	-	150 000			
- Library Services	6 000	6 000	56 000		
- Traffic Department	260 000	345 000	410 000		
- LED	35 000	35 000			
Recreation Park (led)			1 000 000		
Installation of cluster Lighting(traffic)			500 000		
Solar Energy (disaster)			600 000		
Skips			200 000		
Parking Shelters	350 000	350 000	16 000		
<b>Subtotal (b)</b>	<b>3 627 000</b>	<b>5 679 500</b>	<b>5 897 000</b>	<b>2 060 000</b>	<b>2 050 000</b>
<b>Total Capital Expenditure (a+b)</b>	<b>49 174 094</b>	<b>50 120 828</b>	<b>40 243 601</b>	<b>94 841 620</b>	<b>97 104 517</b>

### 3.5 Contract having future budget implications

In terms of Umhlabuyalingana Local Municipality Supply Chain Management Policy, no contracts are awarded beyond the medium term revenue and expenditure frame work. The municipality ensure the adherence to the contractual time frame limitation, all reports submitted to either the Bid evaluation or Adjudication committees are obtainable formal from the municipality.

#### 4. Annual Draft Budget Tables

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KZN271 Umhlabuyalingana - Table A1 Budget Summary

Description  R thousands	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Financial Performance</b>										
Property rates	1 653	3 306	10 698	6 392	14 486	14 486	14 486	15 297	16 123	16 994
Service charges	–	–	–	130	76	76	76	80	84	89
Investment revenue	974	1 525	1 817	350	3 888	3 888	3 888	4 106	4 327	4 561
Transfers recognised - operational	39 157	61 194	103 845	73 285	74 139	74 139	74 139	93 146	125 021	129 617
Other own revenue	2 172	1 812	4 345	11 468	3 801	3 801	3 801	4 013	4 230	4 459
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>43 956</b>	<b>67 837</b>	<b>120 705</b>	<b>91 625</b>	<b>96 390</b>	<b>96 390</b>	<b>96 390</b>	<b>116 642</b>	<b>149 786</b>	<b>155 720</b>
Employee costs	10 119	10 381	15 373	23 188	26 051	26 051	26 051	32 830	34 086	35 707
Remuneration of councillors	4 448	6 756	7 542	7 792	8 061	8 061	8 061	8 507	8 949	9 433
Depreciation & asset impairment	3 581	4 149	6 844	2 225	7 327	7 327	7 327	7 738	8 156	8 596
Finance charges	–	–	–	–	–	–	–	–	–	–
Materials and bulk purchases	–	–	–	–	–	–	–	–	–	–
Transfers and grants	–	–	–	–	–	–	–	–	–	–
Other expenditure	13 506	16 538	25 847	47 748	48 449	48 449	48 449	61 914	46 879	49 410
<b>Total Expenditure</b>	<b>31 654</b>	<b>37 824</b>	<b>55 606</b>	<b>80 953</b>	<b>89 888</b>	<b>89 888</b>	<b>89 888</b>	<b>110 989</b>	<b>98 070</b>	<b>103 146</b>
<b>Surplus/(Deficit)</b>	<b>12 302</b>	<b>30 013</b>	<b>65 098</b>	<b>10 672</b>	<b>6 502</b>	<b>6 502</b>	<b>6 502</b>	<b>5 653</b>	<b>51 716</b>	<b>52 573</b>
Transfers recognised - capital	–	–	–	–	–	–	–	–	–	–
Contributions recognised - capital & contributed assets	9 954	34 681	–	38 502	35 502	35 502	35 502	34 590	43 126	44 531
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>22 256</b>	<b>64 694</b>	<b>65 098</b>	<b>49 174</b>	<b>42 004</b>	<b>42 004</b>	<b>42 004</b>	<b>40 243</b>	<b>94 842</b>	<b>97 104</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>22 256</b>	<b>64 694</b>	<b>65 098</b>	<b>49 174</b>	<b>42 004</b>	<b>42 004</b>	<b>42 004</b>	<b>40 243</b>	<b>94 842</b>	<b>97 104</b>
<b>Capital expenditure &amp; funds sources</b>										
Capital expenditure	8 357	64 695	151 516	49 174	50 121	50 121	50 121	40 244	94 841	97 105
Transfers recognised - capital	9 430	39 093	151 516	38 502	35 502	35 502	35 502	34 590	43 126	44 531

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Internally generated funds	654	25 602	–	10 672	14 619	14 619	14 619	5 654	51 715	52 574
<b>Total sources of capital funds</b>	<b>10 084</b>	<b>64 695</b>	<b>151 516</b>	<b>49 174</b>	<b>50 121</b>	<b>50 121</b>	<b>50 121</b>	<b>40 244</b>	<b>94 841</b>	<b>97 105</b>
<b><u>Financial position</u></b>										
Total current assets	111 755	126 028	71 409	83 209	77 472	77 472	77 472	81 811	86 229	90 886
Total non current assets	69 502	99 404	151 515	118 168	202 055	202 055	202 055	240 199	274 259	322 609
Total current liabilities	41 489	28 614	12 814	29 473	10 270	10 270	10 270	10 419	11 095	11 808
Total non current liabilities	195	216	4 213	5 868	12 386	12 386	12 386	13 479	13 988	14 744
Community wealth/Equity	139 573	196 602	205 897	166 036	256 871	256 871	256 871	298 112	335 404	386 942
<b><u>Cash flows</u></b>										
Net cash from (used) operating	31 867	39 796	59 373	49 174	39 977	39 977	39 977	44 136	98 534	100 922
Net cash from (used) investing	(17 231)	(33 959)	(60 336)	(49 174)	(47 813)	(47 813)	(47 813)	(38 143)	(95 301)	(97 734)
Net cash from (used) financing	–	52	65	–	–	–	–	–	–	–
<b>Cash/cash equivalents at the year end</b>	<b>54 895</b>	<b>60 784</b>	<b>59 886</b>	<b>96 006</b>	<b>51 920</b>	<b>51 920</b>	<b>51 920</b>	<b>57 913</b>	<b>61 146</b>	<b>64 334</b>
<b><u>Cash backing/surplus reconciliation</u></b>										
Cash and investments available	109 791	121 568	59 756	73 285	68 475	68 475	68 475	72 310	76 214	80 330
Application of cash and investments	40 005	21 789	4 762	20 845	16 556	16 556	16 556	14 397	15 068	15 996
<b>Balance - surplus (shortfall)</b>	<b>69 786</b>	<b>99 779</b>	<b>54 994</b>	<b>52 440</b>	<b>51 919</b>	<b>51 919</b>	<b>51 919</b>	<b>57 913</b>	<b>61 146</b>	<b>64 334</b>
<b><u>Asset management</u></b>										
Asset register summary (WDV)	68 884	99 357	151 500	118 168	202 055	202 055	240 199	240 199	274 259	322 609
Depreciation & asset impairment	3 581	4 149	6 844	2 225	7 327	7 327	7 738	7 738	8 156	8 596
Repairs and Maintenance	234	1 014	2 899	5 709	6 309	6 309	10 084	10 084	10 024	9 870
Water:	–	–	–	39	39	39	29	29	19	20
Sanitation/sewerage:	–	–	–	26	26	26	20	20	17	18
Energy:	–	–	–	79	79	79	80	80	80	85
Refuse:	–	–	–	111	111	111	109	109	113	119

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KZN271 Umhlabuyalingana - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		41 743	57 011	76 117	85 909	89 394	89 394	110 036	144 243	149 878
Executive and council		36 427	49 682	60 218	-	-	-	-	-	-
Budget and treasury office		5 316	7 329	15 899	85 909	89 394	89 394	110 036	144 243	149 878
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		2 213	3 527	1 547	4 716	5 834	5 834	5 252	5 544	5 842
Community and social services		2 213	3 527	1 547	1 447	2 215	2 215	1 430	1 515	1 596
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	3 269	3 619	3 619	3 822	4 028	4 246
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		9 954	41 980	43 041	39 502	36 664	36 664	35 945	43 126	44 531
Planning and development		9 954	41 980	43 041	39 502	36 664	36 664	35 945	43 126	44 531
<b>Total Revenue - Standard</b>	2	53 910	102 518	120 705	130 127	131 892	131 892	151 232	192 912	200 251
<b>Expenditure - Standard</b>	-									
<i>Governance and administration</i>		24 396	23 931	34 987	41 701	49 658	49 658	57 466	59 280	62 481
Executive and council		9 284	12 090	13 940	17 760	21 122	21 122	24 145	24 395	25 712
Budget and treasury office		10 513	5 709	15 638	14 503	19 386	19 386	21 265	22 179	23 376
Corporate services		4 599	6 132	5 409	9 438	9 150	9 150	12 055	12 706	13 393
<i>Community and public safety</i>		4 267	7 075	10 675	21 140	22 834	22 834	26 370	27 763	29 262
Community and social services		4 267	7 075	7 548	15 496	18 019	18 019	18 328	19 392	20 440
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	3 127	5 644	4 815	4 815	8 042	8 371	8 823
<i>Economic and environmental services</i>		2 991	6 818	9 944	18 112	17 396	17 396	27 153	11 027	11 403
Planning and development		2 991	6 818	9 944	18 112	17 396	17 396	27 153	11 027	11 403
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	31 654	37 824	55 606	80 953	89 888	89 888	110 989	98 070	103 146
<b>Surplus/(Deficit) for the year</b>		22 256	64 694	65 098	49 174	42 004	42 004	40 243	94 842	97 104



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KZN271 Umhlabuyalingana - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Revenue by Vote</b>	1									
Vote 1 - [EXECUTIVE & COUNCIL]		-	-	-	-	-	-	-	-	-
Vote 2 - MANAGEMENT]		36 427	49 682	56 693	-	-	-	-	-	-
Vote 3 - [BUDGET AND TREASURY]		5 316	7 329	15 899	85 908	89 394	89 394	110 036	144 243	149 878
Vote 4 - [CORPARATE ]		-	-	-	-	-	-	-	-	-
Vote 5 - [COMMUNITY]		2 213	3 527	5 072	4 716	5 834	5 834	5 252	5 544	5 842
Vote 6 - TECHNICAL]		9 954	41 980	43 041	39 502	36 664	36 664	35 945	43 126	44 531
<b>Total Revenue by Vote</b>	2	<b>53 910</b>	<b>102 518</b>	<b>120 705</b>	<b>130 127</b>	<b>131 892</b>	<b>131 892</b>	<b>151 232</b>	<b>192 912</b>	<b>200 251</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - [EXECUTIVE & COUNCIL]		9 284	7 241	7 727	10 354	11 445	11 445	11 863	12 503	13 179
Vote 2 - MANAGEMENT]		-	4 849	6 213	7 406	9 677	9 677	12 282	11 891	12 534
Vote 3 - [BUDGET AND TREASURY]		10 513	5 709	15 638	14 503	19 386	19 386	21 265	22 179	23 376
Vote 4 - [CORPARATE ]		4 599	6 132	5 409	9 438	9 150	9 150	12 055	12 706	13 393
Vote 5 - [COMMUNITY]		4 266	7 075	10 675	21 138	22 834	22 834	26 370	11 640	29 262
Vote 6 - TECHNICAL]		2 992	6 818	9 944	18 113	17 396	17 396	27 153	27 151	11 403
<b>Total Expenditure by Vote</b>	2	<b>31 654</b>	<b>37 824</b>	<b>55 606</b>	<b>80 953</b>	<b>89 888</b>	<b>89 888</b>	<b>110 989</b>	<b>98 070</b>	<b>103 146</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>22 256</b>	<b>64 694</b>	<b>65 098</b>	<b>49 174</b>	<b>42 004</b>	<b>42 004</b>	<b>40 243</b>	<b>94 842</b>	<b>97 104</b>

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KZN271 Umhlabuyalingana - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>	1										
<u>Revenue By Source</u>											
Property rates	2	1 653	3 306	10 698	6 392	14 486	14 486	14 486	15 297	16 123	16 994
Service charges - refuse revenue	2	-	-	-	130	76	76	76	80	84	89
Rental of facilities and equipment		33	33	40	47	47	47	47	49	52	55
Interest earned - external investments		974	1 525	1 817	350	3 888	3 888	3 888	4 106	4 327	4 561
Fines		25	114	99	300	150	150	150	158	167	176
Licences and permits		1 101	1 574	3 426	2 969	3 469	3 469	3 469	3 663	3 861	4 070
Transfers recognised - operational		39 157	61 194	103 845	73 285	74 139	74 139	74 139	93 146	125 021	129 617
Other revenue	2	1 013	71	780	8 152	135	135	135	142	150	158
Gains on disposal of PPE			20								
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>43 956</b>	<b>67 837</b>	<b>120 705</b>	<b>91 625</b>	<b>96 390</b>	<b>96 390</b>	<b>96 390</b>	<b>116 642</b>	<b>149 786</b>	<b>155 720</b>
<u>Expenditure By Type</u>	-										
Employee related costs	2	10 119	10 381	15 373	23 188	26 051	26 051	26 051	32 830	34 086	35 707

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Remuneration of councillors		4 448	6 756	7 542	7 792	8 061	8 061	8 061	8 507	8 949	9 433
Debt impairment	3	3 970	1 744	23		2 304	2 304	2 304	2 700	2 846	3 000
Depreciation & asset impairment	2	3 581	4 149	6 844	2 225	7 327	7 327	7 327	7 738	8 156	8 596
Contracted services		63	68	81	9 463	21 572	21 572	21 572	9 572	8 824	9 301
Other expenditure	4, 5	9 473	14 726	25 743	38 285	24 573	24 573	24 573	49 642	35 209	37 110
<b>Total Expenditure</b>		<b>31 654</b>	<b>37 824</b>	<b>55 606</b>	<b>80 953</b>	<b>89 888</b>	<b>89 888</b>	<b>89 888</b>	<b>110 989</b>	<b>98 070</b>	<b>103 146</b>
<b>Surplus/(Deficit)</b>		<b>12 302</b>	<b>30 013</b>	<b>65 098</b>	<b>10 672</b>	<b>6 502</b>	<b>6 502</b>	<b>6 502</b>	<b>5 653</b>	<b>51 716</b>	<b>52 573</b>
Contributions recognised - capital	6	9 954	34 681	–	38 502	35 502	35 502	35 502	34 590	43 126	44 531
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>22 256</b>	<b>64 694</b>	<b>65 098</b>	<b>49 174</b>	<b>42 004</b>	<b>42 004</b>	<b>42 004</b>	<b>40 243</b>	<b>94 842</b>	<b>97 104</b>
<b>Surplus/(Deficit) after taxation</b>		<b>22 256</b>	<b>64 694</b>	<b>65 098</b>	<b>49 174</b>	<b>42 004</b>	<b>42 004</b>	<b>42 004</b>	<b>40 243</b>	<b>94 842</b>	<b>97 104</b>
<b>Surplus/(Deficit) attributable to municipality</b>		<b>22 256</b>	<b>64 694</b>	<b>65 098</b>	<b>49 174</b>	<b>42 004</b>	<b>42 004</b>	<b>42 004</b>	<b>40 243</b>	<b>94 842</b>	<b>97 104</b>
<b>Surplus/(Deficit) for the year</b>		<b>22 256</b>	<b>64 694</b>	<b>65 098</b>	<b>49 174</b>	<b>42 004</b>	<b>42 004</b>	<b>42 004</b>	<b>40 243</b>	<b>94 842</b>	<b>97 104</b>

KZN271 Umhlabuyalingana - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Vote 2 - MANAGEMENT]		-	-	-	70	270	270	270	-	-	-
Vote 3 - [BUDGET AND TREASURY]		1 823	1 823	3 588	140	1 590	1 590	1 590	455	-	-
Vote 4 - [CORPARATE ]		-	-	-	130	180	180	180	200	-	-
Vote 5 - [COMMUNITY]		-	-	-	296	452	452	452	1 806	-	-
Vote 6 - TECHNICAL]		8 261	62 872	147 928	48 538	47 629	47 629	47 629	37 783	94 841	97 105
Capital single-year expenditure sub-total		10 084	64 695	151 516	49 174	50 121	50 121	50 121	40 244	94 841	97 105
Total Capital Expenditure - Vote		10 084	64 695	151 516	49 174	50 121	50 121	50 121	40 244	94 841	97 105
<b><u>Capital Expenditure - Standard</u></b>											
<i>Governance and administration</i>		95	1 823	3 588	340	2 040	2 040	2 040	655	-	-
Executive and council					70	270	270	270			
Budget and treasury office		95	1 823	3 588	140	1 590	1 590	1 590	455		
Corporate services		-	-		130	180	180	180	200		
<i>Community and public safety</i>		-	-	-	296	452	452	452	1 806	-	-

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Community and social services					296	452	452	452	1 396	–	
Public safety									410		
<i>Economic and environmental services</i>		8 262	62 872	147 929	48 538	47 629	47 629	47 629	37 783	94 841	97 105
Planning and development		8 262	62 872	147 929	48 538	47 629	47 629	47 629	37 783	94 841	97 105
Total Capital Expenditure - Standard	3	8 357	64 695	151 516	49 174	50 121	50 121	50 121	40 244	94 841	97 105
<b><u>Funded by:</u></b>											
National Government		8 669	29 608	151 516	38 502	35 502	35 502	35 502	32 490	43 126	44 531
Transfers recognised - capital	4	9 430	39 093	151 516	38 502	35 502	35 502	35 502	34 590	43 126	44 531
Internally generated funds		654	25 602		10 672	14 619	14 619	14 619	5 654	51 715	52 574
Total Capital Funding	7	10 084	64 695	151 516	49 174	50 121	50 121	50 121	40 244	94 841	97 105

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Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>											
<b>ASSETS</b>											
<b>Current assets</b>											
Cash		54 896	60 784		59 285	26 100	26 100	26 100	27 562	29 050	30 619
Call investment deposits	1	54 895	60 784	59 756	14 000	42 375	42 375	42 375	44 748	47 164	49 711
Consumer debtors	1	468	477	568	–	(2 303)	(2 303)	(2 303)	(2 431)	(2 562)	(2 700)
Other debtors		1 496	3 983	7 204	9 924	11 300	11 300	11 300	11 932	12 577	13 256
Current portion of long-term receivables				3 881							
<b>Total current assets</b>		<b>111 755</b>	<b>126 028</b>	<b>71 409</b>	<b>83 209</b>	<b>77 472</b>	<b>77 472</b>	<b>77 472</b>	<b>81 811</b>	<b>86 229</b>	<b>90 886</b>
<b>Non current assets</b>											
Long-term receivables		618	47	16							
Property, plant and equipment	3	68 629	98 586	150 977	118 168	202 055	202 055	202 055	240 199	274 259	322 609
Intangible		255	771	522							
<b>Total non current assets</b>		<b>69 502</b>	<b>99 404</b>	<b>151 515</b>	<b>118 168</b>	<b>202 055</b>	<b>202 055</b>	<b>202 055</b>	<b>240 199</b>	<b>274 259</b>	<b>322 609</b>
<b>TOTAL ASSETS</b>		<b>181 257</b>	<b>225 432</b>	<b>222 925</b>	<b>201 377</b>	<b>279 527</b>	<b>279 527</b>	<b>279 527</b>	<b>322 009</b>	<b>360 488</b>	<b>413 494</b>

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<b>LIABILITIES</b>											
<b>Current liabilities</b>	-										
Borrowing	4	39	71	-	-	-	-	-	-	-	-
Trade and other payables	4	40 893	25 463	12 814	29 473	10 270	10 270	10 270	10 419	11 095	11 808
Provisions		557	3 080								
<b>Total current liabilities</b>		<b>41 489</b>	<b>28 614</b>	<b>12 814</b>	<b>29 473</b>	<b>10 270</b>	<b>10 270</b>	<b>10 270</b>	<b>10 419</b>	<b>11 095</b>	<b>11 808</b>
Provisions		195	216	4 213	5 868	12 386	12 386	12 386	13 479	13 988	14 744
<b>Total non current liabilities</b>		<b>195</b>	<b>216</b>	<b>4 213</b>	<b>5 868</b>	<b>12 386</b>	<b>12 386</b>	<b>12 386</b>	<b>13 479</b>	<b>13 988</b>	<b>14 744</b>
<b>TOTAL LIABILITIES</b>		<b>41 684</b>	<b>28 830</b>	<b>17 027</b>	<b>35 341</b>	<b>22 656</b>	<b>22 656</b>	<b>22 656</b>	<b>23 897</b>	<b>25 083</b>	<b>26 552</b>
<b>NET ASSETS</b>	5	<b>139 573</b>	<b>196 602</b>	<b>205 897</b>	<b>166 036</b>	<b>256 871</b>	<b>256 871</b>	<b>256 871</b>	<b>298 112</b>	<b>335 404</b>	<b>386 942</b>
<b>COMMUNITY WEALTH/EQUITY</b>											
Accumulated Surplus/(Deficit)		139 573	196 602	205 897	166 036	256 871	256 871	256 871	298 112	335 404	386 942
Minorities' interests											
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	5	<b>139 573</b>	<b>196 602</b>	<b>205 897</b>	<b>166 036</b>	<b>256 871</b>	<b>256 871</b>	<b>256 871</b>	<b>298 112</b>	<b>335 404</b>	<b>386 942</b>

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KZN271 Umhlabuyalingana - Table A7 Budgeted Cash Flows

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>											
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
Receipts											
Ratepayers and other				15 553	15 640	12 245	12 245	12 245	19 390	20 438	21 542
Government - operating	1	52 937	73 396	90 826	73 285	73 279	73 279	73 279	93 216	125 010	129 530
Government - capital	1				38 502	35 502	35 502	35 502	34 590	43 126	44 531
Interest		974	1 525	1 817	300	3 838	3 838	3 838	4 106	4 327	4 561
Suppliers and employees		(22 044)	(35 061)	(48 822)	(78 553)	(84 887)	(84 887)	(84 887)	(107 166)	(94 367)	(99 242)
Finance charges			(64)								
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>31 867</b>	<b>39 796</b>	<b>59 373</b>	<b>49 174</b>	<b>39 977</b>	<b>39 977</b>	<b>39 977</b>	<b>44 136</b>	<b>98 534</b>	<b>100 922</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
Receipts											
Proceeds on disposal of PPE		(10 085)	(33 358)	(60 367)							
Decrease (increase) in non-current investments		(7 146)	(601)	31							
Capital assets					(49 174)	(47 813)	(47 813)	(47 813)	(38 143)	(95 301)	(97 734)



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NET CASH FROM/(USED) INVESTING ACTIVITIES		(17 231)	(33 959)	(60 336)	(49 174)	(47 813)	(47 813)	(47 813)	(38 143)	(95 301)	(97 734)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans				65							
Borrowing long term/refinancing			52								
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	52	65	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		14 636	5 889	(898)	-	(7 836)	(7 836)	(7 836)	5 993	3 233	3 188
Cash/cash equivalents at the year begin:	2	40 259	54 895	60 784	96 006	59 756	59 756	59 756	51 920	57 913	61 146
Cash/cash equivalents at the year end:	2	54 895	60 784	59 886	96 006	51 920	51 920	51 920	57 913	61 146	64 334

KZN271 Umhlabuyalingana - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description R thousand	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b><u>Cash and investments available</u></b>											
Cash/cash equivalents at the year end	1	54 895	60 784	59 886	96 006	51 920	51 920	51 920	57 913	61 146	64 334
Other current investments > 90 days		54 896	60 784	(131)	(22 721)	16 555	16 555	16 555	14 397	15 068	15 996
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>109 791</b>	<b>121 568</b>	<b>59 756</b>	<b>73 285</b>	<b>68 475</b>	<b>68 475</b>	<b>68 475</b>	<b>72 310</b>	<b>76 214</b>	<b>80 330</b>
<b><u>Application of cash and investments</u></b>											
Unspent conditional transfers		32 038	17 932	4 913	-	-	-	-	1 674	1 765	1 860
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	7 967	3 857	(151)	20 845	4 271	4 271	4 271	(756)	(685)	(608)
Other provisions						12 285	12 285	12 285	13 479	13 988	14 744
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
<b>Total Application of cash and investments:</b>		<b>40 005</b>	<b>21 789</b>	<b>4 762</b>	<b>20 845</b>	<b>16 556</b>	<b>16 556</b>	<b>16 556</b>	<b>14 397</b>	<b>15 068</b>	<b>15 996</b>
<b>Surplus(shortfall)</b>		<b>69 786</b>	<b>99 779</b>	<b>54 994</b>	<b>52 440</b>	<b>51 919</b>	<b>51 919</b>	<b>51 919</b>	<b>57 913</b>	<b>61 146</b>	<b>64 334</b>

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KZN271 Umhlabuyalingana - Table A9 Asset Management

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand										
<b>CAPITAL EXPENDITURE</b>										
<u>Total New Assets</u>	1	10 085	64 695	151 516	49 174	50 121	50 121	40 244	94 841	97 105
Infrastructure - Road transport		8 262	10 926	56 506	23 875	22 618	22 618	20 622	23 000	25 000
Infrastructure - Electricity		–	9 337	–	10 000	8 054	8 054	350	9 000	9 000
Infrastructure - Other		–	24 323	30 877	3 277	8 970	8 970	–	60 781	52 255
Infrastructure		8 262	44 586	87 383	37 152	39 642	39 642	20 972	92 781	86 255
Community		–	3 038	549	12 022	9 029	9 029	13 376	–	8 800
Other assets	6	1 823	17 071	63 584	–	–	–	5 897	2 060	2 050
Intangibles		–	–	–	–	1 450	1 450	–	–	–
<u>Total Capital Expenditure</u>	4									
Infrastructure - Road transport		8 262	10 926	56 506	23 875	22 618	22 618	20 622	23 000	25 000
Infrastructure - Electricity		–	9 337	–	10 000	8 054	8 054	350	9 000	9 000
Infrastructure - Other		–	24 323	30 877	3 277	8 970	8 970	–	60 781	52 255

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Infrastructure		8 262	44 586	87 383	37 152	39 642	39 642	20 972	92 781	86 255
Community		–	3 038	549	12 022	9 029	9 029	13 376	–	8 800
Other assets		1 823	17 071	63 584	–	–	–	5 897	2 060	2 050
Intangibles		–	–	–	–	1 450	1 450	–	–	–
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	<b>2</b>	<b>10 085</b>	<b>64 695</b>	<b>151 516</b>	<b>49 174</b>	<b>50 121</b>	<b>50 121</b>	<b>40 244</b>	<b>94 841</b>	<b>97 105</b>
<i>Infrastructure - Other</i>		68 629	98 586	150 977	118 168	202 055	202 055	240 199	274 259	322 609
Infrastructure		68 629	98 586	150 977	118 168	202 055	202 055	240 199	274 259	322 609
Intangibles		255	771	522	–	–	–	–	–	–
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>5</b>	<b>68 884</b>	<b>99 357</b>	<b>151 500</b>	<b>118 168</b>	<b>202 055</b>	<b>202 055</b>	<b>240 199</b>	<b>274 259</b>	<b>322 609</b>
<b>EXPENDITURE OTHER ITEMS</b>										
<u>Depreciation &amp; asset impairment</u>		3 581	4 149	6 844	2 225	7 327	7 327	7 738	8 156	8 596
<u>Repairs and Maintenance by Asset Class</u>	3	234	1 014	2 899	5 709	6 309	6 309	10 084	10 024	9 870
<i>Infrastructure - Road transport</i>		–	–	–	3 500	3 500	3 500	5 200	4 876	4 444
Infrastructure		–	–	–	3 500	3 500	3 500	5 200	4 876	4 444
Community		–	–	–	150	150	150	400	422	444
Other assets	6, 7	234	1 014	2 899	2 059	2 659	2 659	4 484	4 726	4 982
<b>TOTAL EXPENDITURE OTHER ITEMS</b>		<b>3 815</b>	<b>5 163</b>	<b>9 743</b>	<b>7 934</b>	<b>13 636</b>	<b>13 636</b>	<b>17 822</b>	<b>18 180</b>	<b>18 466</b>

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KZN271 Umhlabuyalingana - Table A10 Basic service delivery measurement

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<u>Household service targets</u>	1									
<u>Water:</u>										
Piped water inside dwelling					20 575	20 575	20 575	25 075	30 245	31 878
Piped water inside yard (but not in dwelling)					35 691	35 691	35 691	40 191	45 691	48 158
Using public tap (at least min.service level)	2				29 013	29 013	29 013	30 513	37 013	39 012
Other water supply (at least min.service level)	4				5 006	5 006	5 006	5 606	8 836	9 313
<i>Minimum Service Level and Above sub-total</i>		-	-	-	90 285	90 285	90 285	101 385	121 785	128 361
No water supply					38 909	38 909	38 909	28 909	18 909	19 930

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<i>Below Minimum Service Level sub-total</i>		-	-	-	38 909	38 909	38 909	28 909	18 909	19 930
Total number of households	5	-	-	-	129 194	129 194	129 194	130 294	140 694	148 291
<u>Sanitation/sewerage:</u>										
Flush toilet (connected to sewerage)					15 237	15 237	15 237	13 737	13 737	14 479
Flush toilet (with septic tank)					5 633	5 633	5 633	5 133	5 633	5 937
Chemical toilet					23 255	23 255	23 255	26 755	32 255	33 997
Pit toilet (ventilated)					33 025	33 025	33 025	36 275	39 525	41 659
Other toilet provisions (> min.service level)					26 536	26 536	26 536	28 786	32 894	34 670
<i>Minimum Service Level and Above sub-total</i>		-	-	-	103 686	103 686	103 686	110 686	124 044	130 742
Bucket toilet					1 096	1 096	1 096	596	95	100
Other toilet provisions (< min.service level)					7 043	7 043	7 043	6 793	6 543	6 896
No toilet provisions					17 369	17 369	17 369	12 120	10 012	10 553
<i>Below Minimum Service Level sub-total</i>		-	-	-	25 508	25 508	25 508	19 509	16 650	17 549
Total number of households	5	-	-	-	129 194	129 194	129 194	130 195	140 694	148 291
<u>Energy:</u>										
Electricity (at least min.service level)					49 707	49 707	49 707	50 207	60 207	63 458
<i>Minimum Service Level and Above sub-total</i>		-	-	-	49 707	49 707	49 707	50 207	60 207	63 458
Electricity (< min.service level)					-	-	-	79 987	80 487	84 833
Other energy sources					79 487	79 487	79 487	-	-	-

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<i>Below Minimum Service Level sub-total</i>	5									
		-	-	-	79 487	79 487	79 487	79 987	80 487	84 833
<b>Total number of households</b>	5	-	-	-	129 194	129 194	129 194	130 194	140 694	148 291
<u><b>Refuse:</b></u>										
Removed at least once a week					18 034	18 034	18 034	21 534	27 534	29 021
<i>Minimum Service Level and Above sub-total</i>		-	-	-	18 034	18 034	18 034	21 534	27 534	29 021
Removed less frequently than once a week					1 809	1 809	1 809	909	709	747
Using communal refuse dump					1 295	1 295	1 295	795	595	627
Using own refuse dump					94 794	94 794	94 794	97 294	103 794	109 399
Other rubbish disposal					2 273	2 273	2 273	1 673	1 174	1 237
No rubbish disposal					10 989	10 989	10 989	7 989	6 888	7 260
<i>Below Minimum Service Level sub-total</i>		-	-	-	111 160	111 160	111 160	108 660	113 160	119 271
<b>Total number of households</b>	5	-	-	-	129 194	129 194	129 194	130 194	140 694	148 291
<u><b>Households receiving Free Basic Service</b></u>	7									
Water (6 kilolitres per household per month)					129 194	129 194	129 194	130 194	140 694	148 291
Sanitation (free minimum level service)					129 194	129 194	129 194	130 194	140 694	148 291
Electricity/other energy (50kwh per household per month)					129 194	129 194	129 194	130 194	140 694	148 291
Refuse (removed at least once a week)					129 194	129 194	129 194	130 194	140 694	148 291

## **PART TWO SUPPORTING DOCUMENTATION**

### **5. OVERVIEW OF ANNUAL BUDGET PROCESS**

The IDP adopts an outcome based approach in line with the national government priorities and the associated 12 outcomes. The strategic objective of the outcome based approach is to improve service delivery across all spheres of government and to introduce a systematic planning, monitoring and evaluation process.

The Government outcome nine commits the Minister of Cooperative Governance and Traditional Affairs to develop a local government system which is efficient, effective, responsive and accountable. In line with Outcome 9, Umhlabuyalingana Municipality IDP responds directly to issues facing the area and its communities, and rendering local government services efficiently and effectively.

However, the municipality will also contribute directly and indirectly to the attainment of other outcomes, particularly those dealing with economic development, infrastructure development, rural development and environmental management. Therefore alignment with the relevant sector frameworks and programmes across the spheres of government is critical.

#### **IDP PROCESS PLAN**

The preparation of this IDP is based on a Process Plan, which Umhlabuyalingana Municipality adopted in terms of the Municipal Systems Act, 32 of 2000 at the beginning of the review process. The plan establishes a firm foundation for the alignment of the IDP, Budget and OPMS. As such, one all-encompassing process plan was prepared for these three processes and adopted by Council to ensure proper management of the IDP planning process.

Table 1: Budget and IDP Process Plan for 14/15 financial year.

#### **ACTIVITY SCHEDULE DATE**

Preparation of the Process Plan July 2013 Advertising and Publishing of Process Plan July 2013 IDP Steering Committee Meeting August 2013 IDP Rep Forum  
September 2013 Adoption by Council September 2013 Collection of relevant information August – December 2013 Evaluate and assess information August



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– December 2013 IDP Steering Committee Meeting September 2013 IDP Representative Forum September 2013 Preparation of the summary document  
October – December 2013 Prepare implementation Strategy November 2013 – January 2014 IDP Steering committee Meeting October – December 2013  
Incorporate comments from stakeholders December 2013 – January 2014

MHLABUYALINGANA MUNICIPALITY IDP | status quo analysis March 2014

### **ACTIVITY SCHEDULE DATE**

Incorporate completed sector plans January-February 2014 IDP/Budget Workshops February 2014 Advertise Draft IDP for Public Comments February 2014  
Submission of Draft IDP to Council March 2014 Submission of Draft 2014/15 IDP to COGTA March 2014 Provincial IDP Assessments April-May 2014 IDP  
Steering Committee Meeting May 2014 IDP Rep Forum May 2014 Incorporate Public Comments June 2014 Adoption by Council May 2014 Submission of  
Final Draft IDP June 2014

### **STRUCTURE OF UMHLABUYALINGANA IDP**

In terms of the new requirements, the IDP must include the following:

Preparation of the Executive Summary indicating the issues facing the municipality, development opportunities, municipal plans to address opportunities and constraints, institutional development programmes and five year service delivery programme.

A shared and detailed analysis of the current situation. This should form the basis for the identification of key development issues, development opportunities and review of the strategic framework.

Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, tribal council, and other role players in the IDP drafting process.

Development strategy clearly indicating the long, medium and short terms development vision. These are expressed in the form of long term vision, medium term development strategies and short term interventions – projects.

An indication of the organisational arrangements for the IDP process.

Binding plans and planning requirements, i.e. policy and legislation and mechanisms and procedures for vertical and horizontal alignment.

Alignment of the budget and the IDP expressed in the form of a medium term (3 years) capital programme corresponding with the medium term expenditure framework, one year capital programme indicating the projects to be implemented in this financial year, etc.

Spatial development framework indicating a link between the IDP policy framework and the site specific Land Use Management System (LUMS).

#### MHLABUYALINGANA MUNICIPALITY IDP

##### **PUBLIC PARTICIPATION**

Public participation is important to determine the exact needs that exist in the communities in relation to the developmental priorities during the public meetings and information gathering. Umhlabuyalingana Municipality is utilizing the following mechanisms for public participation when developing its IDP.

IDP Representative Forum (IDP RF): This forum represents all stakeholders and key interested and affected parties. This includes the ward committees, Amakhosi, Non- Governmental Organizations (NGOs), Community Based Organisations (CBOs), etc.

Media: Local newspapers are used to inform the public about progress with the IDP and to invite comments on the process plan, draft IDP and final adoption of the IDP.

Radio Slots: The community radio station is used to make public announcements where necessary.

Umkhanyakude and Umhlabuyalingana Website: Umkhanyakude DM's website will also be utilized to communicate and inform the community. Copies of the IDP and Budget will be placed on the website for people and service providers to download.

Ward Committees: Umhlabuyalingana Municipality has adopted the Ward Committee policy which has resulted to the establishment of ward committees. The municipality considers ward committees as one of the institutional bodies to fast-track service delivery. They are represented in the IDP RF meetings and their input is always considered. They are also being used to disseminate the information about the agenda of the municipality.

**Proposed consultations meeting with the community are schooled as follows:-**

Umhlabuyalingana Municipality invites all communities of Umhlabuyalingana & all interested parties to the Draft IDP/Budget Review Public Participation meeting Scheduled as follows:

DATE	TIME	VENUE	WARD
1. 15/04/2014	09H30 am	Hlazane/Hlokohloko	6,7,13,14 &15
2. 15/04/ 2014	14H00 pm	Munyu	9,14,15 & 16
3. 16/04/2014	10H00 am	Ndlondlweni Hall	2,3,5,8,9 & 15
4. 17/04/2014	10H00 am	Mahlungulu Hall	1,4,10,11,12&17

**6. Development Strategic of objective s**

Umhlabuyalingana development strategy is designed to fit-in and give effect to the intention of both the national and provincial development strategies. This includes at a national development plan (Vision 2030) and various government programs. The Umhlabuyalingana IDP also fits within the provincial development framework as set out in the PGDS, and covers the following:

Strategic fit (alignment with national and provincial strategic frameworks)

Vision statement

Mission statement

Core values or organizational culture

Long term goals

Strategies, objectives and action plans

**The strategy will serve as a road map for service delivery, governance and democratisation.**

STRATEGIC FIT

GLOBAL/ INTERNATIONAL

NATIONAL (RSA)

PROVINCIAL (KZN)

LOCAL (ULM)

Globalisation

International trade agreements

National Government Priorities/Outcomes

Provincial Government Priorities/Outcomes

Local Development Needs/opportunities

National Development Policies & Programmes

Provincial Development Policies & Programmes

Sector Plans/Public Participation

**LONG-TERM DEVELOPMENT GOALS**

**PROVINCIAL DEVELOPMENT GOALS**

1. To maximize KZN position as a gateway to South and Southern Africa;
2. To ensure human and utilization of natural resources are in harmony;
3. To create safe, healthy and sustainable living environments;
4. To aspire to healthy and educated communities;
5. To ensure all employable people are employed;
6. To develop a more equitable society;
7. To ensure that all people have access to basic services;
8. To offer world class infrastructure;
9. To boost investors confidence to invest in KZN;
10. To develop a skilled labour force aligned to economic growth needs;
11. To create options for people on where and how they opt to live, work and play;
12. To entrench people centred-ness;
13. To provide strong and decisive leadership; and
14. To foster social compacts.

### **UMHLABUYALINGANA DEVELOPMENT GOALS**

1. To ensure human and utilization of natural resources are in harmony;
2. To aspire to healthy and educated communities;
3. To ensure all employable people are employed;
4. To ensure that all people have access to basic services;
5. To boost investors confidence to invest in KZN;
6. To create options for people on where and how they opt to live, work and play;

### **FOCUS AREAS OF THE NATIONAL DEVELOPMENT PLAN**

1. Key drivers of change
2. Demographic trends
3. Economy and employment
4. Economic infrastructure
5. Transitioning to a low carbon economy
6. Inclusive rural economy
7. Positioning South Africa in the world

8. Human settlements
9. Improving education, innovation and training
10. Promoting health
11. Social protection
12. Building safer communities
13. Building a capable state
14. Promoting accountability and fighting corruption
15. Transforming society and uniting the country

#### **DEVELOPMENT VISION, MISSION STATEMENT AND CORE VALUES**

- **VISION STATEMENT**

TO BE A PEOPLE CENTERED PREMIER SOCIO-ECONOMIC DEVELOPMENT AND ENVIRONMENTALLY FRIENDLY SERVICE DELIVERY MUNICIPALITY

#### **MISSION STATEMENT**

“Creating an enabling environment and sustainable development which promotes quality of life”.

#### **CORE VALUES**

Integrity

Quality Service

Good Governance

**Benchmarking**

Leadership

Honesty

Commitment

Interpersonal Skills

Responsibility

Accountability

Transparency

Learning

Dialogue and Diversity

Partnership and Professionalism

Consultation/Participation

**UMHLABUYALINGANA DEVELOPMENT GOALS**

1. To ensure human and utilization of natural resources are in harmony;
2. To aspire to healthy and educated communities;
3. To ensure all employable people are employed;



4. To ensure that all people have access to basic services;

5. To boost investors confidence to invest in KZN;

### STRATEGIC ORGANISATIONAL OBJECTIVES

☐ To improve quality of life and create a pleasant living and working environment.

☐ To create an environment that promotes investment and economic growth.

☐ To involve local communities and stakeholders in municipal affairs in a structured manner.

☐ To develop Umhlabuyalingana LM as a viable and sustainable local government structure.

☐ To deliver services efficiently and effectively.

### Overview alignment of Draft budget with Integrated Development Plan

UMHLABUYALINGANA MUNICIPALITY																				
Finance Department Service Delivery and Budget Implementation Plan																				
Period: 2014/2015																				
National Key performance Indic		Strategic Objectives	Key Performance Indicator	Unit of Measurement	Annual Performance Target and Timeline	Responsible person	Budget Allocation	Source of Funding	Sep 2014			Dec 2014			March 2015			June 2015		
	ID P										Projected	Actual	Budget	Projected	Actual	Budget	Projected	Actual	Budget	Projected

ator	pr oje ct no								Q1		t	Q2	al	et	Q3	al	et	Q4	al	et
FINANACIAL VIABILITY AND FINANCIAL MANAGEMENT		To develop and maintain systems and procedures for effective and sound management of municipal finances.	Reviewed financial policies	Resolution adopting Finance Policies	Approved and adopted policies by June 2015	CFO B/Of ficer SCM & Finance Manager	HR					Identify financial policies that require reviews and submit them to Manc o and Portif olio Committee			Work shop to staff and councilors on the reviewed policies			Approved and adopted financial policies by June 2015		
		To improve own revenue	Current debtors more than	Percentage of current debtors - 30 days outstanding	12 Monthly percentage report	CFO B/Of ficer SCM & Fina	HR		3 Monthly percentage report		HR	3 Monthly percentage report		HR	3 Monthly percentage report		HR	3 Monthly percentage report		HR

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		generation over the next five years	50% of own revenue	ng	of debtors	nance Manager			s on outstanding debtors			s on outstanding debtors			ts on outstanding debtors			ts on outstanding debtors		
		To develop and maintain systems and procedures for effective and sound management of municipal finances.	Operational expenditure 100% or	Report indication the percentage of expenditure	12 Monthly percentage report of Operating expenditure by June 2014	CFO B/Of ficer SCM & Finance Manager	HR		25% Quarterly report of expenditure		HR	25% Quarterly report of expenditure		HR	25% Quarterly report of expenditure		HR	25% Quarterly report of expenditure		HR

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		To develop and maintain systems and procedures for effective and sound management of municipal finances.	Percentage spent of Operational Budget (OPEX) on repairs and maintenance of infrastructure	Report indication the percentage of expenditure	12 Monthly reports of repairs on operation budget expressed in percentage by June 2015	CFO B/Of ficer SCM & Finance Manager	HR		25% Quarterly report of repairs and maintenance		HR	25% Quarterly report of repairs and maintenance		HR	25% Quarterly report of repairs and maintenance		HR	25% Quarterly report of repairs and maintenance		HR
		To develop and maintain systems and procedures	Fully functioning IT system	Appointment letter and maintenance report	Appointment of IT Consultant Support and Maintenance of	'Consultant CFO Finance & SCM Manager	R 600 000,00	EQUITY	Support and maintenance of Website and network		R 107 200,00	Support and maintenance of Website and network	R 29 195 3,00	R 10 720 0,00	Support and maintenance of Website and network	R 0,00	R 10 720 0,00	Support and maintenance of Website and network	R 0,00	R 10 720 0,00

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		dures for effective and sound management of municipal finances.			Websites, network by June 2015															
		To develop and maintain systems and procedures for effective and sound management of municipal	Trained staff on financial management	Proof of attendance	All finance staff must have attended MFMA competency training by June 2015		R 650 000,00	FMG	Design a plan with timetable of finance to attend the accredited courses	R 0,00	R 162 500,00	Attendance of accredited financial training course	R 0,00	R 162 500,00	Attendance of accredited financial training course	R 0,00	R 162 500,00	Attendance of accredited financial training course		R 162 500,00

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		ipal financ es.																		
		To impro ve own reven ue gener ation over the next five years	Munic ipal Suppl emen tary Valua tion roll	Council resolution adopting Suppleme ntaryValu ation Roll	Develo pment of Supple mentary Valuati on roll by 30 June 2015	Appo inted servi ce provi der SCM and CFO	R 750 000, 00	EQ TY	Devel opme nt of Gener al Valuat ion roll		R 187 500 ,00	Publi cation of the Suppl emen tary Valua tion roll for comm ent and input from comm unitie s and Stake holde rs	R 0,0 0	R 18 7 50 0,0 0	Consu ltatio n proce ss for the suppl emen tary Valua tion roll	R 0, 00	R 18 7 50 0,0 0	Final appro val of suppl emen tary Valua tion roll		R 18 7 50 0,0 0

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National Key performance Indicator			Key Performance Indicator	Unit of Measurement	Annual Performance Target and Timeline	Responsible person	Budget Allocation	Source of Funding	Sep 2014			Dec 2014			March 2015			June 2015		
	ID Project no								Projected Q1	Actual	Budget	Projected Q2	Actual	Budget	Projected Q3	Actual	Budget	Projected Q4	Actual	Budget
FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT		To develop and maintain systems and procedures for effective and	Development and updating Fixed Asset Register	Internal Auditors Report on Municipal Register by June 2015	Draft asset register by June 2014	SCM Manager CFO	R 550 000,00	Equitable Share	Appointment of Service provider, Draft Implementation plan with timelines		R 90 000 ,00	Updated and maintain an asset register and ensure GRAP Compliance	R 0,00	R 80 000 ,00	Develop GRAP compliant Asset Management Register	R 0,00	R 26 000 ,00	Updated and maintain asset register and ensure GRAP Compliance	R 0,00	R 12 000 ,00

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		sound management of municipal finances.	Consideration of adjustment budget	Council resolution adopting adjustment budget	Approval of Adjustment Budget by Council on 28 February 2015	Budget Officer, FM and CFO	HR	N/A			HR	ALL department to submit Adjustment proposal to Finance Department		HR	Approval of Adjustment Budget on or before 28 February 2015		HR			HR
			Approved Annual Budget for 2015-2016	Council resolution approving annual budget for 2014-2015	Approved Annual budget for 2015-2016 by June 2015	Budget Officer and CFO	HR	N/A	Approval of Budget time lines. Budget/IDP process plan to adopted by council 31 September 2014		HR	Submission of proposal with cash flow projection for next year budget 2015-2016		HR	Adoption of Draft Annual budget by Council in March 2015		HR	Adoption of Final Budget by May 2015		HR



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			GRAP - compliant AFS	Acknowledgement of receipt of AFS from Auditor General	Submission of annual financial statements by 31st August 2014 & timely response to AG queries	Finance Manager & CFO	HR	N/A	Proof of submission of AFS to Auditor-General by 31 August 2014			Timely responses to Auditor-General's queries as the engagement letter			Produce Mid year AFS for Internal Audit for Audit readiness by February 2015			Development of the AFS Plan and Audit readiness for the submission of Afs to AG 2014/15 FY		HR
	Supply Chain Management Unit	To be 100% compliant with the SCM Regulations	All HOD to Submit Procurement need	Monthly Procurement report submitted to MM	Procurement Plan to be developed by 30 June 2015	Expenditure Clerk SCM Manager and CFO	HR	N/A	All department to submit their procurement needs by 10 July 2014		HR	Quarterly Procurement Plan report and SCM Reports		HR	Quarterly Procurement Plan report and SCM Reports		HR	Quarterly Procurement Plan report and SCM Reports		HR

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			Operation of Bid Committees	Management committee and Municipal Manager Approving deadlines for bid Committees	Approval timetable for Bid Committees by July 2014	SCM Manager and CFO	HR		Approval of timetable for Bid Committees by July 2014		HR	Reports of bid committee properly filed by SCM and submit quarterly report to MM and Council		HR	Reports of bid committee properly filed by SCM and submit quarterly report to MM and Council		HR	Reports of bid committee properly filed by SCM and submit quarterly report to MM and Council		HR
National Key performance Indicator			Key Performance Indicator	Unit of Measurement	Annual Performance Target and Timeline	Responsible person	Budget Allocation	Source of Funding	Sep 2014			Dec 2014			March 2015			June 2015		
	IDP project								Projected Q1	Actual		Projected Q2	Actual		Projected Q3	Actual		Projected Q4	Actual	

	no																			
<b>FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT</b>	<i>Municipal Monthly reconciliation</i>	To develop and maintain systems and procedures for effective and sound management of municipal finances.	Grants reconciliation	Monthly report	12 Monthly grants reconciliation by 30 June 2015	Inter n, Revenue officer, FM & CFO	HR	HR	3 monthly grant reconciliation report by September 2014		HR	3 monthly grant reconciliation report by December 2014		HR	3 monthly grant reconciliation report by March 2015		HR	3 monthly grant reconciliation report by June 2015		HR
			VAT reconciliation	Monthly report	12 Monthly Vat Reconciliation by 30 June 2015	Inter n, Finance Manager & CFO	HR	HR	3 monthly Vat reconciliation report by September 2014		HR	3 monthly Vat reconciliation report by December 2014		HR	3 monthly Vat reconciliation report by March 2015		HR	3 monthly Vat reconciliation report by June 2015		HR

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			Bank and Investment reconciliation	Monthly report	12 Monthly Bank, Investment reconciliation by 30 June 2015	Inter n, Finance Manager & CFO	HR	HR	3 monthly bank & investment reconciliation report by September 2014		HR	3 monthly bank & Investment reconciliation report by December 2014		HR	3 monthly bank & Investment reconciliation report by March 2015		HR	3 monthly bank & Investment reconciliation report by June 2015		HR
			Salaries reconciliation	Monthly report	12 Monthly Salaries reconciliation by 30 June 2015	Payroll clerk , budget Officer , Finance Manager & CFO	HR	HR	3 monthly salaries reconciliation report by September 2014		HR	3 monthly salaries reconciliation report by December 2014		HR	3 monthly salaries reconciliation report by March 2015		HR	3 monthly salaries reconciliation report by June 2015		HR

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			Debtors reconciliation	Monthly report	12 Monthly Debtors reconciliation by 30 June 2015	Inter n, Budget officer, Finance Manager & CFO	HR	HR	3 monthly debtor reconciliation report by September 2014		HR	3 monthly debtor reconciliation report by December 2014		HR	3 monthly debtor reconciliation report by March 2015		HR	3 monthly debtor reconciliation report by June 2015		HR
			Traffic reconciliation	Monthly report	12 Monthly traffic reconciliation by June 2015	Inter n, Budget officer, Finance Manager, Chief Protection Officer & CFO	HR	HR	3 monthly traffic reconciliation report by September 2014		HR	3 monthly traffic reconciliation report by December 2014		HR	3 monthly traffic reconciliation report by March 2015		HR	3 monthly traffic reconciliation report by June 2015		HR

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			Credit orts recon ciliati on	Monthly report and Creditor must be paid with 30 days	12 Monthl y creditor s reconcil iation by 30 June 2015	Inter n, Budg et offie cer, Fina nce Man ager & CFO	HR	HR	3 month ly credit ors reconc iliatio n report by Septe mber 2014		HR	3 mont hly credit ors recon ciliati on report by Dece mber 2014		HR	3 mont hly credit ors recon ciliati on repor t by Marc h 2015		HR	3 mont hly credit ors recon ciliati on repor t by June 2015		
Nati onal Key perfo rman ce Indic ator			Key Perfor manc e Indica tor	Unit of Measure ment	Annual Perfor mance Target and Timelin e	Resp onsi ble pers on	Bud get Allo cati on	Sou rce of Fun din g	Sep 2014			Dec 2014			March 2015			June 2015		
	ID P pro je ct no								Projec ted Q1	Act ual	Bu dge t	Projec ted Q2	Ac tu al	Bu dget	Proje cted Q3	Ac tu al	Bu dget	Proje cted Q4	Ac tu al	Bu dget
FINANCIAL VIABILITY AND FINANCIAL		To devel op and maint ain syste ms and	Munic ipal prope rty rate collec tion	Billing report	12 Monthl y billing Statem ent by 30 June 2015	Inter n, Budg et offie cer, Fina nce Man	HR		Issuin g 3 month ly billing state ment by Septe		HR	Issuin g 3 mont hly billing state ment by Dece		HR	Issuin g 3 mont hly billing state ment By Marc		HR	Issuin g 3 mont hly billing state ment by June		HR

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		proce dures for effecti ve and sound mana geme nt of munic ipal financ es.				ager & CFO			mber 2014			mber 2014			h 2015			2015		
		To be 100% compl iant with the SCM regula tions	Monthly reports	Monthly report submitted to Manco & MM and proof from treasury of submissio n	12 SCM report of purchas es above R 100 000.00 by 30 June 2015	Inter n, expe nditu re clerk and SCM Man ager & CFO	HR	N/a	3 month ly SCM report of purch ased above R100 000.0 0 by Septe mber 2014		HR	3 mont hly SCM report of purch ased above R100 000.0 0 by Dece mber 2014		HR	3 mont hly SCM repor t of purch ased above R100 000.0 0 by Marc h 2015		HR	3 mont hly SCM repor t of purch ased above R100 000.0 0 by June 2015		HR

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		to develop and maintain systems and procedures for effective and sound management of municipal finances.		Proof of submission from Treasury	12 Monthly S71 report submitted to Mayor and Treasury by 30 June 2015	Inter n, Budget officer, FM and CFO	HR	N/a	3 monthly s71 report submitted with 10 working days		HR	3 monthly s71 report submitted with 10 working days		HR	3 monthly s71 report submitted with 10 working days		HR	3 monthly s71 report submitted with 10 working days		HR
		to develop and maintain systems and procedures	Compliance with MFMA requirements	100% compliance with MFMA	Compliance with MFMA by 30 June 2015	CFO	HR	N/a	Monitor compliance with Municipal Calendar/ MFMA		HR	Monitor compliance with Municipal Calendar/ MFMA		HR	Monitor compliance with Municipal Calendar/ MFMA		HR	Monitor compliance with Municipal Calendar/ MFMA		HR



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		dures for effective and sound management of municipal finances.							Checklist			A Checklist			A Checklist			A Checklist		
		to develop and maintain systems and procedures for effective and sound management of munic	Individual tax submissions	Proof of issue of IRP5	Issuing of IRP5 for Cllr & employees by May 2015	Payroll clerk, budget Officer, Finance Manager & CFO	HR	N/a	Mid year tax reconciliation by September 2014		HR			HR	Tax reconciliation by March 2015			Issuing of IRP 5 Certificate to Employees and Councillors		HR

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		ipal financ es.																		
		To be 100% compl iant with the SCM regula tions	Updat ed datab ae	Invitation of suppliers and Meet minimum requirem ents of database	Update d data base by 30 June 2015	Expe nditu re and SCM Man ager	HR	N/a	Invite suppli ers to encou rage them to regist er		HR	Updat e datab ase		HR	adver tised on the news paper for regist ration		HR	Appro val of the datab ase		HR
		Financ e Portfo lio Com mitte e meeti ngs	Numb er of Portfo lio Com mitte e meeti ngs	Notices or attendanc e registers as a proof of attendanc e	12 Portfoli o Commit tee meetin gs by June 2015		HR		3 notice s or attend ance regist ers by Sept 2014		HR	3 notice s or atten dance regist ers by Dece mber 2014		HR	3 notice s or atten dance regist ers by Marc h 2015		HR	3 notice s or atten dance regist ers by June 2015		HR

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		to develop and maintain systems and procedures for effective and sound management of municipal finances.	Finance staff meeting	Proof of departmental meetings  Report on staff work attendance  Disciplinary measure by the CFO when the need arise	12 monthly meetings by June 2015	CFO	HR	N/a	3 monthly meetings by September 2014		HR	3 monthly meetings by December 2014		HR	3 monthly meetings by March 2015		HR	3 monthly meetings by June 2015		HR
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					ANNUAL TARGET	BU DG ET	SEPT MBER			DECE MBER			MAR CH			JUNE		
ID P N O	Nati onal KPA	Strategic Objectives	Indicato r	Unit of Meas urem ent			PROJE CTED TARG ET	PR OJE CTE D BU DG ET	A CT U AL	PROJE CTED TARGE T	PR OJE CTE D BU DG ET	A CT U AL	PROJE CTED TARGE T	PR OJE CTE D BU DG ET	A CT U AL	PROJE CTED TARGE T	PR OJE CTE D BU DG ET	A CT U AL
1	<b>2. Institutional Development &amp; Transformation</b>	<b>To attract and retain qualified and experienced staff across the staff establishment</b>	Submissi on of Workpla ce Skills Plan	Proof of submi ssion	WSP submitte d to LGSETA by June 2015	HR		HR			HR			HR		Proof of submi ssion to LGSET A by April 2015	HR	
2		To provide the optimal institutional structure to render effective and efficient services	Organog ram	Counc il resolu tion	Council reviewed organogr am by June 2015	HR		HR			HR		Counci l resolut ion by March 2015	HR			HR	
3		<b>To provide the optimal institutional structure to render effective and efficient services</b>	Budget spent on workpla ce skills plan	Perce ntage	0,6% of budget spend on WPS by June	HR		HR			HR			HR			HR	

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					2015													
4			People from employment equity target groups employed in the three highest level of management	Number	One person from Employment equity target groups employed in the three highest level of Management	HR	One person with letter of appointment by Spt 2014	HR			HR			HR			HR	
5			Formation of Employee Assistance Programme Committee	Council resolution/ Management Resolution	Fully Functional EAP Committee	HR	Approved EAP Committee by Sept 2014	HR			HR			HR				

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6			Employee Assistance Programme Committee Meetings	No of EAP Committee Meetings	4 Quarterly EAP Committee Meetings by June 2015	HR	One meeting by Sept 2014	HR		One Meeting by December 2014	HR		One Meeting by March 2015	HR		One Meeting by June 2015	HR	
7			Employee Assistance Programme	Proof of Attendance i.e. Certificate	Employees attended the Rehabilitation Programme/ Counselling	R80 000	Employees attended the Rehab / Counselling by Sept 2014			Employees attended the Rehab / Counselling by Dec 2014			Employees attended the Rehab/ Counselling by March 2015			Employees attended the Rehab / Counselling by June 2015		
8			Local Labour Forum meetings	No of LLF Meetings	6 LLF Meetings held by June 2015	HR	One Meeting by Sept 2014	HR		Two Meetings by Dec 2014	HR		One Meeting by March 2015	HR		Two meetings by June 2015	HR	
9			Annual leave report for all staff member	Monthly leave report	12 Monthly leave reports for all staff	HR	3 Monthly leave report by	HR		3 monthly leave report by Dec	HR		3 monthly leave report by March	HR		3 monthly leave report by	HR	

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			s		member s by June 2015		Sept 2014			2014			2015			June 2015		
1 0			Quarterl y reports	Numb er of repor ts	4 Quarterl y reports by June 201	HR	1 quart erly repor t by Sept 2014	HR		1 quarte rly report by Dec 2014	HR		1 quarte rly report by March 2015	HR		1 quarte rly report by June 2015	HR	
1 1			MID- YEAR report & Annual Report	Numb er of MID YEAR repor ts to MM and portif olio com mitte e	One Annual Report submitt ed by June 2015	HR		HR		One MID- YEAR report submi tted by Dec 2014	HR			HR			HR	
1 2			Capacity building & training of councill ors and staff	proof of attan dance	Councillo rs and staff trained by June 2015	R 500 000	Capac ity buildi ng & Traini ng of Counc illors & Staff	R12 5 000 .00		Capaci ty buildin g & Traini ng of Counci llors & Staff by end	R12 5 000 .00		Capaci ty buildin g & Trainin g of Counci llors & Staff by end	R12 5 000 .00		Capaci ty buildin g & Trainin g of Counci llors & Staff by end	R12 5 000 .00	

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							by end of Sept 2014			of Dece mber 2014			of March 2015			of June 2015		
1 3			Formati on of Training Committ ee	Numb er of Traini ng Com mittee Meeti ngs	4 Quartely Training Committ ee Meeting s by June 2015	HR	One meeti ng by Sept 2014	HR		OneTr aining Comm ittee Meeti ng by Dec 2014	HR		One Trainin g Comm ittee Meetin g by March 2015			One Trainin g Comm ittee Meeti ng by June 2015	HR	
1 4			Develop Human Resourc es Training Plan	Counc il Resol ution Appro ving Plan	Approve d Human Resource Training Plan by Sept 2014	HR	IMple ment ation of the Plan	HR			HR			HR			HR	
1 5			Ordinary Council meeting s	Numb er of ordin ary Counc il meeti ngs	Notices or Attenda nce registers and Minutes for 4 ordinary Council	HR	Notic e or atten dance and Minut es regist er by Sept	HR		One notice or attend ance registe r by Dec 2014	HR		One notice or attend ance registe r by March 2015	HR		One notice or attend ance registe r by June 2015	HR	



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					meetings by June 2015		2014											
1 6			Ordinary EXCO meeting s	Numb er of Exco meeti ngs	Notices or Attenda nce registers and Minutes for 12 ordinary EXCO meetings by June 2015	HR	3 notice s or atten dance regist ers by Sept 2014	HR		3 notice s or attend ance registe rs by Dec 2014	HR		3 notices or attend ance registe rs by March 2015	HR		3 notice s or attend ance registe rs by June 2015	HR	
1 7			Corpora te Services Portfolio Committ ee meeting s	Numb er of Portf olio Com mittee meeti ngs	Notices or attendan ce registers and Minutes for 12 Portfolio Committ ee meetings by June 2015	HR	3 notice s or atten dance regist ers and Minut es by Sept 2014	HR		3 notice s or attend ance registe rs by Dec 2014	HR		3 notices or attend ance registe rs by March 2015	HR		3 notice s or attend ance registe rs by June 2015	HR	

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18			Departmental staff meetings	Number of departmental staff meetings	Attendance registers and Minutes for 12 monthly departmental meetings by June 2015	HR	3 monthly departmental meetings by September 2014	HR		3 monthly departmental meetings by Dec 2014	HR		3 monthly departmental meetings by March 2015	HR		3 monthly staff meetings by June 2015	HR	
19			Staff management to ensure discipline for productivity	Number of monthly reports on staff work attendance	12 Monthly attendance Register signed by Municipal Employees by June 2015	HR	3 Monthly Attendance Register signed by Municipal Employees by Sep 2014	HR		3 Monthly staff work attendance analysis report forming part of monthly report to MM by Dec 2014	HR		3 Monthly staff work attendance analysis report forming part of monthly report to MM by March 2015	HR		3 Monthly staff work attendance analysis report forming part of monthly report to MM by June 2015	HR	

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20				Number of monthly departmental staff work attendance	12 Monthly departmental staff work attendance analysis report forming part of monthly report to MM by June 2015	HR	3 Monthly departmental staff work attendance analysis report by Sept 2014	HR		3 Monthly departmental staff work attendance analysis report by Dec 2014	HR		3 Monthly departmental staff work attendance analysis report by March 2015	HR		3 Monthly departmental staff work attendance analysis report by June 2015	HR	
21			Develop and Review of Municipal Policies i.e. Placement Policy and Sexual Harrassment Policy	Number of Policies developed & Reviewed	Reviewed & Developed Municipal Policies	R 200 000 ,00	Develop & Review Municipal Policies	R50 000 .00		Develop & Review Municipal Policies	R50 000 .00		Develop & Review Municipal Policies	R50 000 .00		Develop & Review Municipal Policies	R50 000 .00	

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2 2			Report on monthly activities / progress of service providers	Number of progress reports to MM	4 Monthly report on progress of service providers by June 2015	HR	1 Monthly report on the progress of service providers by Sept 2014	HR		1 Monthly report on the progress of service providers by Dec 2014	HR		1 Monthly report on the progress of service providers by March 2015	HR		1 Monthly report on the progress of service providers by June 2015	HR	
2 3		<b>To comply fully with all municipal legislation</b>	Exco resolution approving SDBIP for 2014/15 & signed performance agreements	Exco resolution and acknowledgment letter from CoGT A	Exco approved SDBIP and signed performance agreements by May 2014	HR	Acknowledgment receipt of performance agreements by CoGT A & Provincial Treasury by	HR			HR			HR			HR	

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							July 2014											
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				<b>COMMUNITY SERVICES DEPARTMENT</b>											
				ANNUAL TARGET	BU DG ET	SEPTEMBER			DECEMBER			MARCH			JUNE
IDP NO	National KPA	Indicator	Unit of Meas urem ent			PROJECTED TARGET	PROJ ECTE D BUD GET	AC TU AL	PROJECTED TARGET	PROJ ECTE D BUD GET	AC TU AL	PROJECT ED TARGET	PROJ ECTE D BUD GET	AC TU AL	PROJE CTED TARG ET
02/0 3/14 15	<b>1. Service Delivery &amp; Infrastructure Develop</b>	Waste manangeme nt	Counc il appro ved waste mana geme	Council approved Waste Managem ent Plan with action	R 500 000	Appointment of service provider						Present the Plan to the Council			

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	pment		nt plan with action plan	plans by June 2015											
02/03/14 15		Improved access to basic services	Numb er of house holds with access to refuse remov al at least once per week	85 househol ds with access to refuse removal per week	HR										
02/03/14 15		Refuse removal	Numb er of bund les of refuse collec tion bags & prote ctive equip ment	200 bundles of refuse collection bags & 125pieces of protective clothes procured by June 2015	R 300 000	Proof of purchase of 100 bundles of refuse bags & 125 pieces of protective clothes	R 150 000					Proof of purchas e of 100 bundles of refuse bags & 125 pieces of protectiv e clothes	R 150 000		

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			procured												
		Refuse removal	Procurement of SKIPS	Procurement of 15, 2m SKIPS by June 2015	R 200 000				Procurement of 15, 2m SKIPS by Dec 2014	2000 00					
		Refuse removal	Waste removal awareness campaign	2 awareness campaign by June 2015	R 100 000				One awareness campaign by December 2014	5000 0		One awareness campaign by March 2015	R 50 000		
		Maintenance of Municipal Facilities	Municipal facilities	Procurement of 2 big grass cutter machines by June 2015	R 400 000				Procurement of 2 big grass cutter machines by Sep 2014	2500 0		service of all grass cutter machine	R 25 000		service of all grass cutter machine
02/03/14 15		Collection of refuse from business holdings	Schedule of refuse collection and proof of	Daily schedule per area of refuse from 85 business holdings, health	HR				Daily collection of waste as per approved schedule & proof of weekly inspections	HR		Daily collection of waste as per approved schedule	HR		Daily collection of waste as per approved

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			regular inspection	care services and in Schools by June 2015							& proof of weekly inspections			schedule & proof of weekly inspections
04/04/14/15		Disaster Risk Management	No of Awareness campaign	12 Disaster Awareness campaign by June 2015	R60 000	3 Disaster awareness campaign	R 30 000, 00		3 Disaster awareness campaign	R00 000		3 Disaster awareness campaign	R30 000	3 Disaster awareness campaign
			Disaster incidents report	12 incident reports by June 2015	Nil	3 incident reports			3 incident reports			3 incident reports		3 incident reports
			Acquisition of disaster relief materials	100 x 3ply mink blankets ; 50x 3/4 sponge mattresses	R 100 000 ,00				100 x 3ply mink blankets ; 100 x 3/4 sponge mattresses	R 100 000, 00				
			Relief food parcels(budget	Food parcels for disaster relief	R30 0 000	as and when			as and when			as and when		as and when



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			allocat ed under Counc il)												
			2 way radios	Acquire a set of 13 two way radios	R10 0 000	Acquire a set of 13 two way radios	R100 000								
		Occupationa l Health & Safety	Condu ct Fire drills	4 Fire drills by June 2015	R 10 000 ,00	1 Fire drill			1 Fire drill			1 Fire drill			
			Evalu ation analys is – infrast ructur e and office s	Conduct 4 evaluatio n analysis – infrast ructure and offices june 2015	Nil	1 infrastructure evaluation			1 infrastructure evaluation			1 infrastru cture evaluati on			1 infras tructu re evalu ation
			OHS equip mement	Servicing of fire extinguish er & additional tools	R15 0 000	service of all Fire estinguishers by Sept 2014	50 000		Source all OHS signage by Dec 2014	R100 000					
04/0 6/14 15	Public Safety	No of vehicle stopped and checked	12000	12000 vehicles stopped and checked	HR	3000	HR		3000	HR		3000	HR		3000

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				by June 2015											
		No of drivers screened for alcohol	6000	6000 drivers screened and checked by June 2015	HR	1500	HR		1500	HR		1500	HR		1500
		No of vehicles screened for speed timing	6000	6000 vehicles screened for speed timing	HR	1500	HR		1500	HR		1500	HR		1500
		No of mult disciplinary roadblocks per month	12	12 multidisciplinary roadblock by June 2015	HR	3	HR		3	HR		3	HR		3
		No of direct charge drunken driving/speed	12	12 direct charge drunken driving/speed by June 2015	HR	3	HR		3	HR		3	HR		3
		No of suspended Vehicles	24	24 unroadworthy vehicles suspended	HR	6	HR		6	HR		6	HR		6

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				d by June 2015											
		No of impounded vehicles	24	24 impounded vehicles by June 2015	HR	6			6			6			6
		No of learners licence examined per year	2880	2880 learners licence examined by June 2015	HR	720	HR		720	HR		720	HR		720
		No of applicants tested for Driving licences	4800	4800 applicants tested for Driving licences by June 2015	HR	1200	HR		1200	HR		1200	HR		1200
		No of temporal driving issued	120	120 temporal driving issued by June 2015	HR	30	HR		30	HR		30	HR		30
		No of duplicate learners issued	72	72 duplicate learners issued by June 2015	HR	24	HR		18	HR		18	HR		18

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		No of Application for Professional Driving Permit (PrDP)	800	800 applications for Professional Driving Permit (PrDP) by June 2015	HR	200	HR		200	HR		200	HR		200
		No Renewal/Replacement of Driving licences	800	800 Renewal/Replacement of Driving licences by June 2015	HR	200	HR		200	HR		200	HR		200
	LIBRY SERVICES	No of Promotions	4 Promotions	4 promotions by end of June 2015	R 68 000	literacy week by end of Sep 2014	R 17 000					back to school campaign and library week promotion	R 34 000		World book day by end of March 2014
		No of Audio Visuals circulated	480 audio visuals	480 audio visuals circulated by June 2015	HR	120	HR	120	HR	120		HR	120		

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		No of books circulated	10800 circulated books	10800 books circulated by June 2015	HR	2700	HR	2700	HR	2700		HR	2700		
		Access to internet	720	720 people have access to internet by June 2015	HR	180	HR	180	HR	180		HR	180		
		Books exchange	4 Books exchange	4 exchange performed by June 2015	HR	1	HR	1	HR	1		HR	1		
		Basic computer training	360	360 people trained on the basic computer skills by June 2015	HR	90	HR	90	HR	90		HR	90		
01/05/14 15	<b>2. Institutional Development &amp; Transformation</b>	Performance reports submitted in terms of Section 46 of MSA	Number of reports submitted to MM	12 monthly reports submitted to MM by June 2015	HR	3 monthly reports submitted by Sept 2014	HR		3 monthly reports submitted by Dec 2014	HR		3 monthly reports submitted by March 2015	HR		3 monthly reports submitted by June

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															2015
01/07/14 15		Community Services Portfolio Committee meetings	Number of community services portfolio meeting by June 2015	Notices or attendance registers for 12 Portfolio Committee meetings by June 2015	HR	3 notices or attendance registers by Sept 2014	HR		3 notices or attendance registers by Dec 2014	HR		3 notices or attendance registers by March 2015	HR		3 notices or attendance registers by June 2015
01/07/14 15		Departmental staff meetings	Number of departmental staff meetings	Attendance registers for 12 monthly departmental meetings by June 2015	HR	3 monthly departmental meetings by September 2014	HR		3 monthly departmental meetings by Dec 2014	HR		3 monthly departmental meetings by March 2015	HR		3 monthly staff meetings by June 2015
04/01/14 15	<b>3. Good Governance &amp; Public Participation</b>	Improved ward committees	Capacity building and training of	4 traings of Ward Committee Members by June 2015	R 400 000	1 training of Ward committees by Sept 2014	R 100 000		1 training of Ward committees by Dec 2014	R 100 000		1 training of Ward committees by March 2015	R 100 000		1 training of Ward committees by

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			ward comm ittees												June 2015
04/0 1/14 15		Ward committee meetings held	Numb er of ward comm ittee meeti ngs	12 ward committe e meetings per ward (totalling to 204 meetings) by June 2015	R 2 233 924	3 ward committee meetings per ward (51 meetings) by Sept 2013	5584 81		3 ward committee meetings per ward (51 meetings) by Dec 2013	5584 81		3 ward committ ee meeting per ward (51 meeting s) by March 2013	5584 81		3 ward comm ittee meeti ngs per ward (51 meeti ngs) by June 2013
	<b>Special social progra mmes</b>	DISABILITY PROGRAM ME	Disabi lity Summ it and establ ishme nt of Disabi lity Foru m	Disability Summit and establis hment of Disability Forum by June 2015	R 150 000	establishmnet and lunch of PLWA	R30 000		Disability summit by December 2013	R 120 000					

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		WOMEN PROGRAM ME	Number of programmes	Women summits and establishment of women forum	R 150 000	Womens Summit by Sept 2014	R100 000					Womens forum meetings	R50 000		
		GENDER PROGRAM ME	Number of awareness	Gender awareness campaign by June 2015	R 150 000	Establishment of Mens Forum	R150 000		Gender awareness campaign by December 2013	R 150 000					
		YOUTH PROGRAM ME	Number of Programmes	implementation of Youth Programmes	R 300 000	Carrer exhibition by Sept 2013	R 150 000								Youth day Celebration by June 2015
		SPORT AND RECREATION	Number of programmes	implementation of Sports and Recreation Programmes	1 510 00	friendly matches	R25 000		friendly matches and camps	R95 000					
		SPORT AND RECREATION	Number of programmes	implementation of Sports and Recreation		Asidlale sonke programme and affiliation	R173 800		procurement of tracksuits	R100 00					Incentives / prices



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				n Program mes											
		SPORT AND RECREATIO N	Numb er of progr amme s	implemen tation of Sports and Recreatio n Program mes		Super league	R8 000		Accommodati on for proviencial salga games	R150 000					inceti ves/ prices
		SPORT AND RECREATIO N	Numb er of progr amme s	implemen tation of Sports and Recreatio n Program mes					procurement of attire for codes	R40 000					
						Meetings with LSC	10 000		Meetings with LSC	10 000		Meeting s with LSC	10 000		Meeti ngs with LSC
		SPORT AND RECREATIO N	Numb er of progr amme s	implemen tation of Sports and Recreatio n Program mes		Dlala Mdala and work and play	R7 500		Dlala Mdala and work and play	R7 500		dlala mdala and work and play	7 500		dlala mdala and worka and paly

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04/05/14 15		HIV /AIDS programme	back to school campaign	Procurement of school uniform by June 2015	R300 000		HR		Identification of beneficiaries through database from war rooms by Dec 2013	HR		Proof of purchase and list of beneficiaries	R 150 000		
		HIV /AIDS programme	HIV/AIDS and TB awareness campaign	4 HIV/AIDS and TB awareness campaigns by June 2014					World Aids Day celebration	R 100 000					
04/05/14 15		HIV /AIDS programme	Number of Local Aids Council	4 Local Aids Council held by June 2014	HR	One Local Aids Council by Sept 2013	HR		One Local Aids Council by Dec 2013	HR		One Local Aids Council by March 2014	HR		One Local Aids Council by 2013
		Number of Arts and Culture programmes	Number of competitions for talent identification	Two competitions for talent identification of artists by June 2014	826 000	Transport and reed for nongoma and ingwavuam	R150 000					We got Talent - Ward level	R136 000		we got talent Festival

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		Number of Arts and Culture programmes	Number of competitions for talent identification	Two competitions for talent identification of artists by June 2014		asikhulume programme	R60 000		Isicathamiya festival	R80 000						
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National KPA	Strategic Objective	Indicator	Organisational objective	Unit of Measurement	Target	Budget Allocation	Source of funding	September 2014			Dec-14			Mar-15			Jun-15		
National KPA		Indicator		Unit of Measurement				Proj	Budget	Actual	Proj	Budget	Actual	Proj	Budget	Actual	Proj	Budget	Actual
<b>MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT</b>																			

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		depart menta l meet ings	to compl y fully with all Munici pal legislat ion	12 dept meet ings by June 2015	No of Dept staff meeting s	HR		3 month ly staff meetin gs			3 monthl y staff meetin gs			3 monthl y staff meetin gs			3 mont hly staff meetin gs		
		Portif olio Comm itttee meet ings	to compl y fully with all Munici pal legislat ion	12 portifo lio commi ttee meet ing by June 2015	No of portifoli o committ ee meeting s	HR		3 month ly portfol io commi ttee meetin gs to MM			3 monthl y portfol io commi ttee meetin gs to MM			3 monthl y portfol io commi ttee meetin gs to MM			3 mont hly portf olio com mitte e meetin gs to MM		
		Mont hly perfor mance report s	to compl y fully with all Munici pal legislat ion	4 quarte rly perfor mance report s by June 2015	No of quarterl y Perfoma nce reports	HR		1 quarte rly perfo mance report to mm			1 quarte rly perfo mance report to mm			1 quarterl y perform ance report to mm			1 quart erly perfo manc e repor t to mm		
		Mid- year report	to compl y fully	One mid- year	No of Mid- year	HR								One mid- year					

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			with all Municipal legislation	report	Report									report to MM					
					<b>Municipal Buildings</b>														
		Construction of Security and Gatehouse	to provide and facilitate the delivery of basic services to minimum standards	completed Security and gatehouse by March 2015	Construction of Security and gatehouse	R 350 000,00	EQS	Site Establishment and layerworks	R 10 000,00		Completion of project with Engineers completion Certificate	R 25 000,00							
		Construction of Parking Shelters and cashiers	to provide and facilitate the delivery of basic service	completed Parking shelter and cashier's office	Construction of Parking Shelters and cashier's office	R 91 000,00	EQS	Completion of project with Engineers completion	R 91 000,00										

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		office	s to minim um standa rds	by septe mber 2014				Certific ate											
		Install ation of Cold room at Mang uzi Marke t stalls	to provid e and fascilit ate the deliver y of basic service s to minim um standa rds	coldro om install ed by Septe mber	Installati on of Cold room at Manguzi Market stalls	R 300 000,00	EQ S	Coldro om install ed with engine ers compl etion certific ate	R 30 0 00 0,0 0										
					<b>Municip al access roads</b>														
		No. of gravel road with engine ers practi cal	to provid e and improv e access to comm	5km road with Engine ers practic al compl	Mfihlw eni Mfakub heka Access Road	R 6 957 551,00	MI G	adverti sing and Apppoi ntmen t of a contra ctor	R 1 72 0 57 4,0 2		Site establi shmen t, compl etion of earthw	R 2 31 2 01 3,5 6		comme ncemen t of all layerwo rks	R 2 35 2 38 9,5 0		Comp letion of proje ct with Engin eers	R 57 2 57 3,0 0	

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		completion certificate	unity / public facilities to minimum standards	completion certificate by June 2015							works and road preparation						Practical completion Certificate		
		No. of gravel road with engineers practical completion certificate	to provide and improve access to community / public facilities to minimum standards	4km road with Engineers practical completion certificate by June 2015	Hlomula /aMandla Access Road	R 5 263 500,00	MIG	advertising and Appointment of a contractor	R 22 500,00		Site establishment, completion of earthworks and road preparation	R 1 63 750,00		commencement of all layerworks	R 2 20 675 000		Completion of project with Engineers Practical completion Certificate	R 1 20 000,00	
		No. of gravel road with engineers practical compl	to provide and improve access to community /	5km road with Engineers practical completion	Mvelabusha - Ezangweni Road	R 6 957 551,00	MIG	advertising and Appointment of a contractor	R 1 72 057 402		Site establishment, completion of earthworks	R 2 31 201 356		commencement of all layerworks	R 2 35 238 950		Completion of project with Engineers Practi	R 57 257 300	

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		etion certifi cate	public fasciliti es to minim um standa rds	certific ate by June 2015						and road prepar ation							cal comp letion Certif icate		
		No. of gravel road with engine ers practi cal compl etion certifi cate	to provid e and improv e access to comm unity / public fasciliti es to minim um standa rds	4km road with Engine ers practic al compl etion certific ate by June 2015	Zangom eni Mngom ezulu Road	R 1 336 899,00	MI G	Compl etion of project with Engine ers Practic al compl etion Certific ate	R 1 33 6 89 9,0 0										
		No of Brigde with engine ers Practic al compl etion	to provid e and improv e access to comm unity /	Compl eted Bridge with engine ers practic al compl	Nsukum bili Bridge	R 1 200 000,00		adverti sing and Apppoi ntmen t of a consul tantan t	R 20 0 00 0,0 0		adverti sing and Apppoi ntmen t of a contra ctor and	R 20 0 00 0,0 0		Comme ncemen t of constru ction	R 40 0 00 0,0 0		Comp letion of proje ct with Engin eers Practi	R 40 0 00 0,0 0	



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		certifi cate	public faciliti es to minim um standa rds	etion certific ate						site establi shmen t						cal comp letion Certif icate			
		No. of gravel road with engine ers practi cal compl etion certifi cate	to provid e and improv e access to comm unity / public faciliti es to minim um standa rds		Qongwa ne- Mtanan kosi Road	R 105 000,00		Compl etion of project with Engine ers Practic al compl etion Certific ate	R 10 5 00 0,0 0										
					<b>Sports facilities</b>														
		sportfi eld compl eted with Engine	to provid e and facilit ate the deliver y of	sportfi eld compl eted with Engine	Mboza sportfiel d	R3,000 .000.0 0	MI G	adverti sing and Apppoi ntmen t of a consul	R 80 8 23 4,3 3		adverti sing and Apppoi ntmen t of a contra	R 1 25 9 45 4,6 0		Site establis hment, Site clearing , Fencing	R 54 3 31 1,1 7		Comp letion of proje ct with Engin		

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		ers Practic al compl etion certifi cate	basic service s to minim um standa rds	ers Practic al compl etion certific ate				tant			ctor			, soccerp itch, ablutio n block and combi court comple ted			eers Practi cal compl etion Certif icate		
		sportfi eld compl eted with Engine ers Practic al compl etion certifi cate	to provid e and fascilit ate the deliver y of basic service s to minim um standa rds	sportfi eld compl eted with Engine ers Practic al compl etion certific ate	scabazin i sportfiel d	R3,500 .000.0 0	MI G	adverti sing and Apppoi ntmen t of a consul tant	R 59 9 23 8,2 3		adverti sing and Apppoi ntmen t of a contra ctor	R 1 69 1 69 5,6 7		Site establis hment, Site clearing , Fencing , soccerp itch, ablutio n block and combi court comple ted	R 78 9 56 6,1 0		Comp letion of proje ct with Engin eers Practi cal compl etion Certif icate		

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		sportfi eld compl eted with Engine ers Practic al compl etion certifi cate	to provid e and fascilit ate the deliver y of basic service s to minim um standa rds	sportfi eld compl eted with Engine ers Practic al compl etion certific ate	bhekaba ntu sportfiel d	R3,500 .000.0 0	MI G	adverti sing and Apppoi ntmen t of a consul tant	R 59 9 23 8,2 3		adverti sing and Apppoi ntmen t of a contra ctor	R 1 69 1 69 5,6 7		Site establis hment, Site clearing , Fencing , soccerp itch, ablutio n block and combi court comple ted	R 78 9 56 6,1 0		Comp letion of proje ct with Engin eers Practic al compl etion Certif icate		
		sportfi eld compl eted with Engine ers Practic al compl etion certifi cate	to provid e and fascilit ate the deliver y of basic service s to minim um standa rds	sportfi eld compl eted with Engine ers Practic al compl etion certific ate	Nyamaz ana Sportsfi eld	R 1 000 000,00	MI G	Compl etion of project with Engine ers Practic al compl etion Certific ate	R 1 00 0 00 0,0 0										
					ELECTRI FICATIO														

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					N														
		350 House holds Electrified	to provide and facilitate the delivery of basic services to minimum standards	350 house holds electrified by June 2013	Mseleni Electrification	R 350 000,00		Completion of Project with the engineers close-out report.	R 350 000,00										

## 2014/2015 DETAILED OPERATIONAL PLANS

STRATEGIC OBJECTIVE	MEASURABLE OBJECTIVE / OUTPUT	PERFORMANCE MEASURE/ INDICATOR	2014/15 TARGET				
			Q1	Q2	Q3	Q4	BUDGET
Integrated Development Planning	Develop 2014/15 IDP Process Plan	2014/15 IDP Process Plan developed	1				
	Hold consultation meetings on the process plan with Standing Committee, Exco, Rep Forum & Council	Meetings held	1	1	1	1	
	Advertise & invite stakeholders for the IDP Rep Forum Meeting	Advert Published; No. Of Stakeholders Invited; IDP Rep Forum held	1				
	Advertise Process Plan for public comments	Process Plan advertised	1				
	Submit Process Plan to DM and COGTA for comments	Process Plan submitted	1				
	Drafting of 2014/2015 IDP : proceeding with all phases	IDP Completed and adopted	1				
	Hold Ward consultation meetings on projects in .....wards	No. Of consultation meetings held No. Of ward project list compiled		1			
	Approval of 2015/16 IDP by Council	Council Resolution adopting 2015/16 IDP				1	

STRATEGIC OBJECTIVE	MEASURABLE OBJECTIVE / OUTPUT	PERFORMANCE MEASURE/ INDICATOR	2014/15 TARGET				BUDGET
			Q1	Q2	Q3	Q4	
Development Planning	Maintain and update database for development applications	Quarterly report on development applications captured & updated	1	1	1	1	
	Write acknowledgement letters to applicants and advise on the process to be followed	Response rate within 21 days of application submission	60%	65%	70%	70%	
	Facilitate the finalisation and adoption of UMhlabuyalingana Land Use Scheme/Town Planning Scheme	Progress in Town Planning Scheme reviewed	20%	50%	75%	100%	
	Investigate illegal building activities; Issue contravention notices	No of illegal buildings identified quarterly No of notices issued quarterly	1	1	1	1	
Geographic Information System	Establish the unit	Unit established & operational		1			
	Maintain and update data	Data maintained and updated daily				1	
	Produce maps and other needs on spatially referenced data	% of maps produced within 48 hours of request				100%	
	Maintain UMhlabuyalingana Municipality property	% Maintenance rendered per quarter					

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STRATEGIC OBJECTIVE	MEASURABLE OBJECTIVE / OUTPUT	PERFORMANCE MEASURE/ INDICATOR	2014/15 TARGET				BUDGET
			Q1	Q2	Q3	Q4	
	database						
	Design a form GIS requests internal & external stakeholders	Form designed;				1	
Housing	Review Housing Sector Plan	Plan adopted		1			
	Prioritise projects & present to DOH	Priority list Developed					
	Manage and monitor the implementation of housing projects	Quarterly report on the status of housing projects implementation	1	1	1	1	
	Contact Land Claims Commissioner's office and source information on outstanding land claims in the municipal area of jurisdiction	Land Claims data obtained					
	Work closely with DLA and Land Claims Commissioner to ensure that their projects adhere to planning requirements prior to the	No. Of DLA projects transferred & implemented (Implementation of Area Based Plan	10%	25%	30%	55%	

STRATEGIC OBJECTIVE	MEASURABLE OBJECTIVE / OUTPUT	PERFORMANCE MEASURE/ INDICATOR	2014/15 TARGET				
			Q1	Q2	Q3	Q4	BUDGET
	project being transferred to the local municipalities	Interventions)					
	Manage and control illegal land invasion	Policy & Plan on illegal land invasion developed; Proper actions taken to deal with illegal land invaders; Security services appointed on contract basis					
Web-site development	Maintain and update data	No. Of structured website updates	2	2	2	2	
Town Urban Regeneration Plan	Manage the implementation of the plan	No of projects Implemented	%				
	Facilitate meetings with relevant stakeholders	No of meetings held					
	Facilitate and Monitor the implementation of project implementation plan as well as priorities identified in the plan	Implementation report on a quarterly basis	1	1	1	1	
Land Legal Matters	Undertaken the implementation of the project outcomes	Report produced	1	1	1	1	



STRATEGIC OBJECTIVE	MEASURABLE OBJECTIVE / OUTPUT	PERFORMANCE MEASURE/ INDICATOR	2014/15 TARGET				BUDGET
			Q1	Q2	Q3	Q4	
	Facilitate the acquisition of state land (DLA)	Report on State land acquired	1	1	1	1	
	Facilitate the disposal of land	Report on Land disposed	1	1	1	1	
Township Establishment	The project is undertaken & completed	Progress implementation of project	25%	40%	60%	80%	
Monitoring and Evaluation	Develop monitoring & evaluation mechanisms	Monitoring & evaluation mechanisms developed	100%				
		Quarterly review sessions conducted	1	1	1	1	
		Annual performance report produced				1	
Local Economic Development : Capacity Building	Conduct needs analysis on economic development issues	Report on needs analysis compiled	1				
	Conduct training to councillors & officials on Economic Development issues identified	Training report compiled.		1			
	Conduct training on SMME's & co-operatives	Training report compiled	1		1		

STRATEGIC OBJECTIVE	MEASURABLE OBJECTIVE / OUTPUT	PERFORMANCE MEASURE/ INDICATOR	2014/15 TARGET				BUDGET
			Q1	Q2	Q3	Q4	
Creation of partnerships	Facilitate linkages between SMME's, Co-ops and business enterprises with financial institutions and relevant government department	No of workshops conducted	1	2	1	1	
	Develop business plans	No of business plans developed	2	2	2	2	
	Source funding for various project	Funding secured as per business plan developed					
	Create an enabling & conducive environment for economic and employment generation	User friendly By-laws developed updated Incentives policies developed Investment policy developed	1  1	  1			
	Stimulate local economic development through the promotion of tourism	No. Of tourism awareness campaigns & workshops conducted	1	2	1	1	
	Explore tourism potential for the municipality	Tourism Marketing Strategy developed	1				
	Agricultural Development Plan	Reviewed and adopted plan		1			
	Facilitate optimal utilization of all arable land and eradication of poverty through agricultural projects	Report on LRAD, Siyavuna, Siyazondla Projects facilitated and implemented	1	1	1	1	
	Promotion of sustainable economic development projects	Large scale commercialised farming projects implemented (Agro-			1		

STRATEGIC OBJECTIVE	MEASURABLE OBJECTIVE / OUTPUT	PERFORMANCE MEASURE/ INDICATOR	2014/15 TARGET				
			Q1	Q2	Q3	Q4	BUDGET
		business/processing)					
	To create employment through the promotion of co-operatives and SMME's	Progress report	1	1	1	1	
	SMME and Informal Trader Development Strategy	Strategy adopted	1				
		Percentage implementation		25%		75%	
	Strengthen partnerships with development stakeholders	No. Of structures formed & maintained		5			
	Create employment through establishment of new businesses	No of new businesses established	5	10	10	5	

## **7. FINANCIAL POLICIES**

### **DEBT COLLECTION AND CREDIT CONTROL**

The municipality will focus on providing a holistic solution in developing and implementing a credit control and debt collection policy from ensuring that an effort is applied towards making the environment, from employees to the community/consumers, conducive towards transforming its credit control and debt collection policy to the necessary capacity to enable effective execution against the municipality's debt collection initiative. The municipality will thus ensure that the following key components of an effective and sustainable credit control and debt collection policy are functioning effectively:

Personnel/HR: ☐ effective policies and procedures must be put in place to enable a streamlined and coordinated functioning of HR; ☐ detailed job descriptions must be developed for the relevant positions enabling execution on the credit control and debt collection policy; ☐ placing of suitably able personnel into the relevant positions

Information Technology (IT) Systems: ☐ effective IT support and maintenance capability should be secured; ☐ personnel should be provided of the necessary training on all the relevant IT systems

and software programs; ☐ IT systems should be operated within a suitably secured operating environment

Processes and Activities: ☐ processes to be followed in executing on credit control and debt collection should be fully documented and personnel should have a full working knowledge of these policies

**Reporting and Performance Measurement:**

ensuring a sustainable and continuously improving credit control and debt collection

policy entails putting in place effective reporting and performance measurement

mechanisms, thus allowing for continuous review of progress and allowing for

comparison of targets against actual results

In dealing with government, institutional and large commercial customers the municipality

will first ascertain the proportion of its debtors book, particularly accounts in arrears,

attributable to government, institutional and large commercial customers. This will be an

important step in the process as it will allow the municipality to determine the influence of

these customers on its revenue generating and debt collection ability and ultimately its

overall financial viability and sustainability.

Essentially the debt collection effort aimed at government, institutional and large

commercial customers will be driven or rather preceded by a well-structured

communication plan. This will be aimed at creating cordial and mutually beneficial

relationships with such customers. The municipality intends to gain an understanding of the

relevant customers' operating environment and the municipality's influence on such

environment on service delivery terms.

With respect to medium sized businesses, particularly local businesses and residential

customers the municipality may elect to adopt a more lenient approach by allowing such customers arrear settlement terms of between three to six months. The overriding principle though of such arrear settlement arrangements should be that customers should settle their current accounts in full on a monthly basis such that there is no further accumulation of arrears and thus undermining the process of arrear settlement.

The strategy of debt collection for all categories of customers will thus be underpinned by the following principles: ② The municipality will devise a communication plan to be deployed through public community forums and various communication media, including the local press, community radio and other relevant publications, informing the community of the municipality's intended debt collection initiative, including the initiative's intended objectives and the relevant timelines.

② The municipality will then commence a fieldwork exercise which will comprise site visits to facilitate dialogue with customers on arrear settlement terms. The municipality will also consider requesting customers to sign acknowledgement of debt agreements as a sign of commitment to the full settlement of outstanding debt. ② The municipality will then monitor adherence with such acknowledgement of debt

agreements on a monthly basis until the customer has fully met his/her obligations. 7 The municipality will also consider provide on-going updates on the success of such

debt collection initiative to the community through newsletters or the local press so

as to create more awareness and also to galvanize the community's support of such

initiative.

### **CUSTOMER CARE AND MANAGEMENT**

In terms of section 95 of the Municipal Systems Act No. 32 of 2000 municipalities should

adopt a customer care management system to achieve the following: 7 create a positive and reciprocal relationship between the ratepayers and service

consumers and the municipality and where applicable a service provider; 7 pay points that provide customers with online facilities for accessing account query

information to facilitate quick resolution of customer queries; 7 multiple pay points and mechanisms including kiosks, Easy pay, online payments,

direct deposits, etc.; 7 presentable premises utilized for banking hall and customer care facilities, including

suitably furnished, equipped, proper signage, convenient office hours, well trained,

courteous and helpful personnel; 7 conducting of regular network audits to ensure that accurate consumption metering

occurs and also as a means of minimizing water and/or electricity losses; 7 issuing of accurate, regular and timeous accounts to ratepayers and customers that

clearly record the tariff utilized, the level of consumption and the time period used

to calculate the billed amount; and 7 consistent and impartial application of the municipality's credit control and debt

collection policies.

Having noted the above the municipality intends to review its customer care and management systems to ensure that any debt collection initiative that is implemented is supported by a fully functional and effective customer care and management function.

## **REVENUE ENHANCEMENT**

Umhlabuyalingana Local Municipality, as a municipality covers an area which is largely rural and the municipality's revenue base consists primarily of the equitable share grant and of services in the form of refuse removal, electricity and protection and traffic management services and also rates. In formulating strategies for the enhancement of its revenue sources the municipality has to take into account the demographics of its area of jurisdiction. In essence, most revenue enhancement plans in a municipality should fall under one of the following enhancement principles: ① the extension and improvement of any existing revenue source; and ② the formulation and implementation of a new source of revenue.

An example of formulation of a new source of revenue would be in the case of a municipality that decides to offer traffic management and protection services where there were not offered before, which of course would entail the acquisition of new infrastructure



and resources, such as trained and qualified personnel to enable the conducting of such service.

An example of the extension and improvement of any existing revenue source would include the offering of extended operational hours for learners' and drivers' licenses tests as an incentive for the general public to utilize the service and to also offer Umhlabuyalingana Local Municipality an advantage over other municipalities offering the same service. In essence they are various means by which this can be achieved but what is most critical is for such an exercise to be a collective effort by all the municipality's departments so as to dispense with the notion that this is purely a financial department responsibility.

This is particularly relevant considering that the various services that can be offered to drive the revenue enhancement effort reside and are controlled within the various line departments, such as infrastructure services and social development departments. It is thus critical that these departments' ideas and plans are brought to bear in formulating such plans. As part of its strategic long term financial planning process the municipality intends to explore various revenue enhancement initiatives as further means of entrenching its long term financial viability and sustainability.

## **FINANCIAL POLICIES**

In addition to the above, the municipality have adopted the following financial policies:-

### **OTHER FINANCIAL POLICIES**

In addition to the above, the municipality has adopted the following financial policies:- **Banking and Investment.**

The municipality manages its banking arrangements and investments and conducts its cash management policy in compliance with the provision of the Municipal Finance Management Act. The investment policy of the municipality is therefore aimed at gaining the optimal return on investments, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes. The effectiveness of the investment policy is depended on the accuracy of the municipality's cash management programme, which must identify the amounts of surplus to the municipality's needs, as well as the time when the period for which such revenues will be surplus.

### **DEBT AND CREDIT CONTROL POLICY**

The objectives of this policy are as follows:-

- To provide a framework for customer care;
- To provide a framework within which the municipality can exercise its executive and legislative authority with regard to credit control and debt collection;

- To ensure that all monies due and payable to the municipality are collected timeously and in a cost effective manner and are used to deliver services in the best interest of the community, residents, consumers and in a financially sustainable manner;
- To describe credit control measures and sequence of events;
- To outline debt collection procedures and mechanisms as well as to set realistic targets for debt collection.

#### **▣ Rates policy ▣ Tariff policy**

The tariff policy is the key to transparent tariff setting. A tariff policy is a key document through which a municipality can explain to its citizens what it hopes to achieve through its tariffs, and ensure them that tariffs are set on a rational basis.

#### **INDIGENT POLICY**

The purpose of the policy is to establish strategies to support poverty alleviation within Umhlabuyalingana Municipality in line with the changing needs of the municipality. The policy links with the Councils Credit Control and Debt Collection Policy, Traffic Policy and respective by-laws by providing a support programme for the subsidization of basic services to indigent households. The objectives of the policy are as follows:-

- To provide basic services to the community in a sustainable manner within the financial

and administrative capacity of the council;

-Establish the framework for the identification and management of indigent households and;

-To provide processes and procedure guidelines for the subsidization of basic charges to indigent households.

#### **SUPPLY CHAIN MANAGEMENT POLICY**

The SCM policy sets a framework for meaningfully managing, monitoring and reporting of procurement activities and provides the procedures to be followed in procurement of goods and services.

#### **VIREMENT POLICY**

Every year, the municipality produces an annual budget which gets approved by the Council. In practice, as the year progresses, circumstances may change so that certain estimates are under budgeted and others over budgeted due to unforeseen expenditure. As a result, it becomes necessary to transfer funds between votes and line items. It is not practical to refer all transfers between line items within a specific vote to the Council. The purpose of the policy is therefore to provide a framework whereby

transfers between lines items within votes of the operating budget may be performed with the approval of certain officials.

#### **BUDGET POLICY**

In terms of the MFMA, No.56 of 2003, Chapter 4 on Municipal Budgets, Subsection (16), states that the council of a municipality must for each financial year approve an annual budget for the municipality before the commencement of the financial year. According to subsection (2) of the MFMA, in order to comply with subsection (1), the executive mayor of the municipality must table the annual budget at a council meeting at least 90 days before the start of the budget year. The policy is read, analyzed, explained, interpreted, implemented and understood against this legislative background. The budget plays a critical role in an attempt to realize diverse community needs. Central to this, the formulation of a municipal budget must take into account the governments macro-economic and fiscal policy fundamentals.

#### **FRAUD PREVENTION POLICY**

The policy outlines the councils focus and commitment to the reduction and possible eradication of incidences of fraud and misconduct. It also confirms the councils commitment to legal and regulatory compliance.

### **ASSET MANAGEMENT POLICY**

The objective of the policy is to ensure that all policies are effectively and efficiently controlled, utilized, safe guarded and managed.

### **INFORMATION TECHNOLOGY POLICY**

The policy establishes guidelines governing the proper use of information technologies and internet by the municipal employees.

### **RISK MANAGEMENT POLICY**

The management of risk is the process by which the Accounting Officer, CFO and other senior managers pro-actively, purposefully and regularly identify and define current as well as emerging business, financial and operational risks and identify appropriate, business and cost effective methods of managing the risks within the municipality.

## **8. Overview of Budget Assumptions**

General inflation outlook and impact on the municipal activities

uMhlabuyalingana Local Municipality has taken into consideration for four key factors in compilation of the budget 2014/2015 MTREF

- National Government macro economic target

- The general inflationary outlook and the impact on uMhlabuyalingana Local Municipality residents and business
- The impact of municipal drivers
- The increase in the cost of remuneration

#### Collection rate for Revenue services

The municipality base assumption is tariffs and rating increases at a rate slightly higher than CPI over the long term. The rate of revenue collection is currently expected as a percentage 95% of annual billings

#### Salaries Increases

The collective agreement regarding salaries come into operation on July and shall remain in force for three years in excess of 6.84 %

#### Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focused service delivery and in this regard various measures were implemented to align IDP, provincial and national strategies around priority spatial interventions, in this regard the following national priorities form the basis of all integration initiatives

- Creating jobs
- Enhancing education and skill development
- Improving Health services
- Rural development and agriculture
- Fighting crime and corruption

The Municipality has ensured that integrated planning and execution of various development programs are achievable

## 8.LEGISLATION COMPLIANCE STATUS

Compliance with MFAMA implementation requirement have been substantially adhered to though the following activities:-

- In year reporting

Reporting to National Treasury and Provincial Treasury in a form of section 71 is submitted monthly basis and also to the office of the mayor.

- Internship Programme

The umhlabuyalingana is participating in the Municipal Financial Management Internship programme and has employed five interns in various divisions of the financial services Department.of five interns two has been appointed permanently .

- Budget and treasury office  
The budget and treasury office has been established in accordance with the Mfma
- Audit Committee  
An audit committee has been established and fully functional
- Service Delivery and Implementation Plan  
The details SDBIP document is at a draft stage and will be finalised after approval of the 2014/15 MTREF in May 2014 directly aligned
- Annual Report  
Annual report is complied in terms of the MFMA and National Treasury requirement
- MFMA Training  
All finance officials are currently attending the municipal finance programme in terms of circular 60



SUPPORTING DOCUMENTATION

Table A1 to A10

Table SA1 to SA37

The above table are attached to as A schedule to this report, and will be submitted together with A schedule.

**9. Municipal Manager s quality certificate**

I Sibusiso.Emmanuel Bukhosini Municipal Manager of uMhlabuyalingana Municipality, hereby certify that the draft budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the draft budget and supporting documents are consistent with the draft Integrated Development Plan of municipality.

Print Name Sibusiso Emmanuel Bukhosini

Municipal Manager of Local Municipality (KZ2271)

Signature\_\_\_\_\_

Date\_\_\_\_\_